

# 1979 Price Index of Operating Costs for Rent Stabilized Apartment Houses in New York City



U.S. Department of Labor  
Bureau of Labor Statistics  
Middle Atlantic Regional Office  
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This report is the sixty third in a series of Regional Reports presenting and analyzing data on various aspects of labor and the economy in the Middle Atlantic Region. Earlier reports in this series are the following:

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Continued on inside back cover.

# **1979 Price Index of Operating Costs for Rent Stabilized Apartment Houses in New York City**

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## Preface

This report presents findings from the tenth annual survey undertaken by the Bureau of Labor Statistics for the New York City Department of Housing Preservation and Development to provide a Price Index of Operating Costs for Rent Stabilized Apartment Buildings. In addition to analyzing price changes between April 1978 and April 1979, comparable data for the twelve year period from the April 1967 index base are presented and reviewed.

As part of a continuing review of the survey design to ensure the development of the most current and best possible index, components are periodically evaluated and where appropriate necessary modifications made. In 1979, the insurance company and newspaper advertising outlet samples were augmented. In addition, a statistical technique for improving the sampling error and measurement of fuel was introduced.

The first survey results were presented in Regional Report No. 17, which provided price indexes for the 1967-70 period together with a description of the characteristics and expenditure patterns of stabilized buildings, based on a 1969 survey of operating costs. Subsequent findings were presented in a series of annual reports. (See Regional Report Nos. 23, 28, 33, 38, 45, 50, 54 and 58.) Each of the reports includes descriptions of the concepts and techniques used to develop the index.

The study was conducted under the overall direction of Samuel M. Ehrenhalt in the Bureau's Middle Atlantic Regional Office. Program planning and evaluation, index construction, analysis of findings and the preparation of this report were completed by Virginia Charonis with the assistance of Celia Kalet, under the direction of Jesse Benjamin in the Division of Program and Analysis. Data collection and tabulation in the Division of Operations were supervised by Shirley Horowitz under the direction of Anthony J. Ferrara. Technical support was also provided by Thomas R. Tibbetts and other members of the staff of the Bureau's Office of Prices and Living Conditions in Washington, D.C. The charts were prepared by the Division of Graphic Services of the Department's Office of Information.

The survey could not have been accomplished without the cooperation of the many establishments that provided the statistical information needed to compile the index. The Bureau wishes to express its sincere appreciation for the cooperation received.



Herbert Bienstock  
Regional Commissioner of Labor-Statistics





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# Contents

	Page
<b>Summary</b> .....	1
<b>Characteristics of the index</b> .....	13
Price data collection.....	15
Relative importance of components.....	18
Study design improvements.....	19
<b>Component indexes</b> .....	22
Over-the-year price changes.....	23
Taxes, fees and permits.....	23
Labor costs.....	28
Fuel and utilities.....	32
Contractor services.....	40
Administrative costs.....	43
Insurance.....	46
Parts and supplies.....	49
Replacement costs.....	53
<b>Tables</b>	
1. Price index of operating costs for rent stabilized apartment houses, New York City, April 1967-April 1979.....	2
2. Price index of operating costs for rent stabilized apartment houses, New York City, April 1979.....	7
3. Relative importance of components of the price index of operating costs for rent stabilized apartment houses, New York City, April 1967 and April 1979.....	19
4. Price index of taxes, fees and permits.....	25
5. Price index of labor costs.....	31
6. Price index of fuel and utilities.....	36
7. Price index of contractor services.....	42
8. Price index of administrative costs.....	44
9. Price index of insurance costs.....	47
10. Price index of parts and supplies.....	51
11. Price index of replacement costs.....	53
<b>Charts</b>	
1. Over-the-year percent changes by component April 1976-1979.....	3
2. Price index of operating costs for rent stabilized apartment houses in New York City, April 1967-1979.....	5
3. Price increases and relative importance by component, impact on overall index increase, April 1967-1979.....	9
4. Price index of taxes, fees and permits, April 1967-1979.....	27
5. Price index of labor costs, April 1967-1979.....	30
6. Price index of fuel and utilities, April 1967-1979.....	37
7. Price index of contractor services, April 1967-1979.....	41
8. Price index of administrative costs, April 1967-1979.....	45
9. Price index of insurance costs, April 1967-1979.....	48
10. Price index of parts and supplies, April 1967-1979.....	50
11. Price index of replacement costs, April 1967-1979.....	52
<b>Appendixes</b>	
A. Reliability of percent changes.....	56
B. Selected pricing specifications.....	57





# **1979 Price Index of Operating Costs for Rent Stabilized Apartment Houses in New York City**

This report presents findings from the latest in a series of annual surveys undertaken by the Bureau of Labor Statistics for the Department of Housing Preservation and Development of New York City to provide an index measuring the change in the price of goods and services purchased to operate apartment buildings that have been continuously subject to rent stabilization since 1969. Data refer to April of each year. The index reference or base period is April 1967. All current operating costs are within the scope of the study, while capital expenditures or financing costs, such as mortgage interest, are excluded.

The major operating cost groups covered by the survey include: taxes, fees and permits; labor; fuel and utilities; contractor services; administrative costs; insurance; parts and supplies; and replacement of appliances and lobby furnishings. The April 1979 price index was computed from over 5,800 price quotations for a sample of about 65 specifically defined commodities and services. Weights for the index were originally developed from 1969 expenditure data collected from a representative sample of operators of rent stabilized apartment houses.

## **Summary**

The Price Index of Operating Costs rose 8.2 percent between April 1978 and April 1979. Three-fifths of the net 1978-79 increase resulted from a 43 percent jump in fuel oil prices. Also contributing to the overall

index rise was a 10.5 percent increase in the labor component. The labor rise was primarily due to wage increases for workers of Local 32-B, Building Service Employees Union, AFL-CIO, the largest group of workers covered by the index. Partially offsetting the impact of the increases for fuel and labor was a 2.3 percent decline in taxes, fees, and permits, the most important of the cost components studied. (See table 1.)

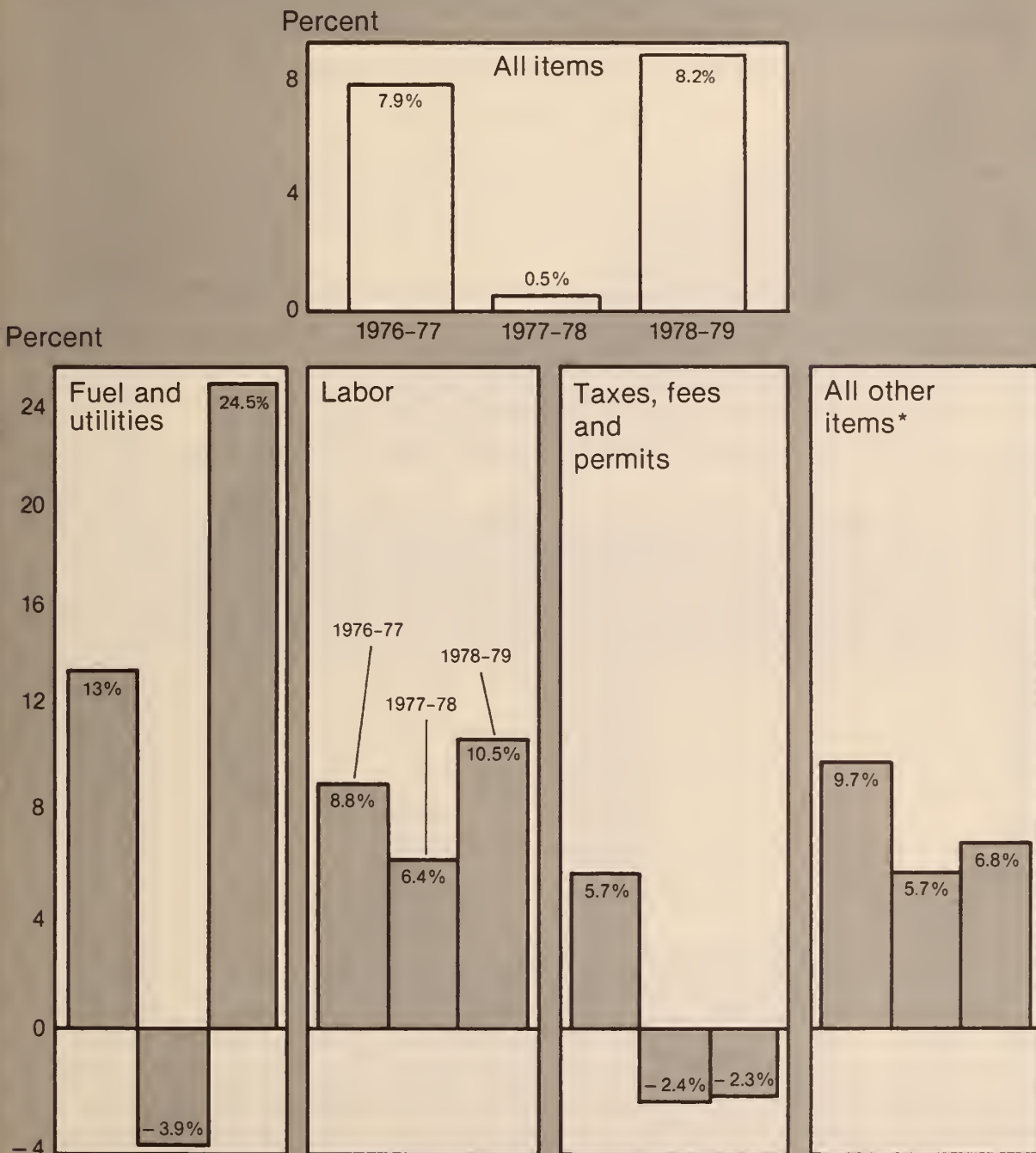
The 1978-79 overall index increase of 8.2 percent compared with a fractional rise of 0.5 percent in the preceding year and a 7.9 percent increase for the year ending April 1977. Largely reflecting sharply higher fuel oil prices, the fuel and utilities component rose 24.5 percent between April 1978 and April 1979. The increase over the last year for this component was

**Table 1. Price index of operating costs for rent stabilized apartment houses, New York City, April 1979**

Group	1979 Index (April 1967=100)	Percent change from April 1978
All items.....	238.6	8.2
Taxes, fees and permits....	171.1	-2.3
Labor costs.....	271.4	10.5
Fuel and utilities.....	473.1	24.5
Contractor services.....	226.1	8.2
Administrative costs.....	180.6	5.2
Insurance costs.....	316.0	4.4
Parts and supplies.....	236.4	9.0
Replacement costs.....	194.1	7.3

CHART 1

**Over-the-year percent changes by component  
April 1976-1979**



\*All other items includes contractor services, administrative, insurance, parts and supplies, and replacement costs.

in sharp contrast with a 3.9 percent decline in the preceding year, which largely reflected the impact of then-declining fuel oil prices.

The labor index, up 10.5 percent between April 1978 and April 1979, registered the sharpest increase in three years. The 1978-79 rise compared with a 6.4 percent increase in 1977-78 and an 8.8 percent rise a year earlier. (See chart 1.)

The 1978-79 labor index increase was largely due to higher wages for members of Local 32-B, who are employed in Manhattan, Queens, Brooklyn and Staten Island. These workers received two wage increases between April 1978 and April 1979; one resulted from a deferred increase received in October 1978 and a second from a new contract settlement, retroactive to April 21, 1979. Also contributing to the 1978-79 labor index rise were September 1978 and March 1979 deferred union wage increases for Bronx workers represented by Local 32-E, as well as increases in nonunion wages.

The tax component decreased 2.3 percent between April 1978 and April 1979, marking the second consecutive year of decline for this major component. The 1978-79 decline dampened the impact of the fuel and labor increases on the overall index rise. Excluding taxes, all other index groups combined rose by 14.2 percent in the year ending April 1979.

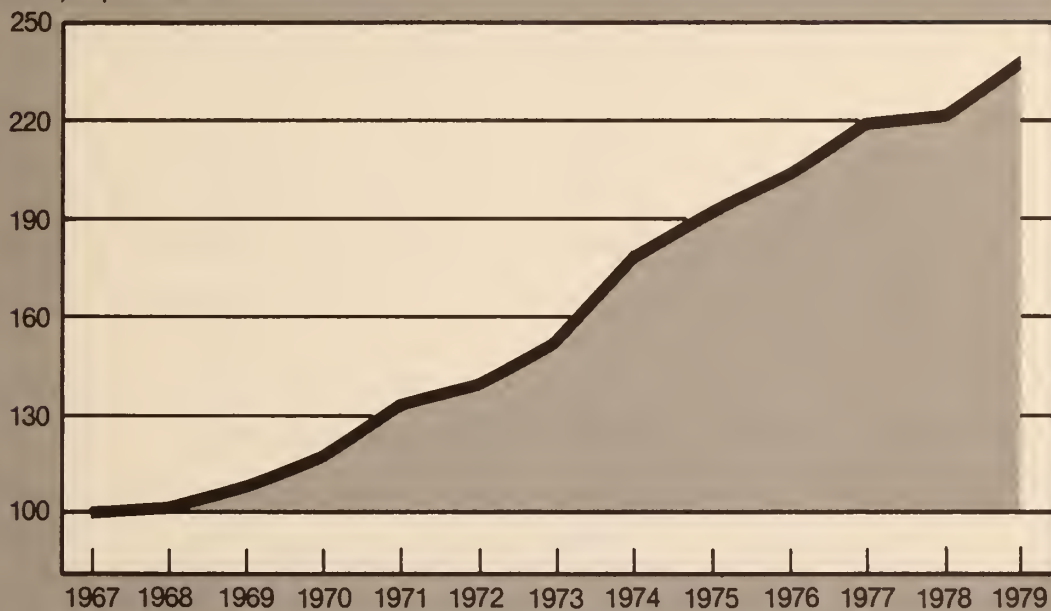
The 1978-79 decrease for taxes was about in line with the preceding year's 2.4 percent. The declines of the last two years contrasted with an increase of 5.7 percent between April 1976 and April 1977. The 1978-79 decrease resulted entirely from lower assessments, as the tax rate remained unchanged.

The composite of the other components of the index, excluding fuel and utilities, labor and taxes, moved up 6.8 percent over the year as compared to

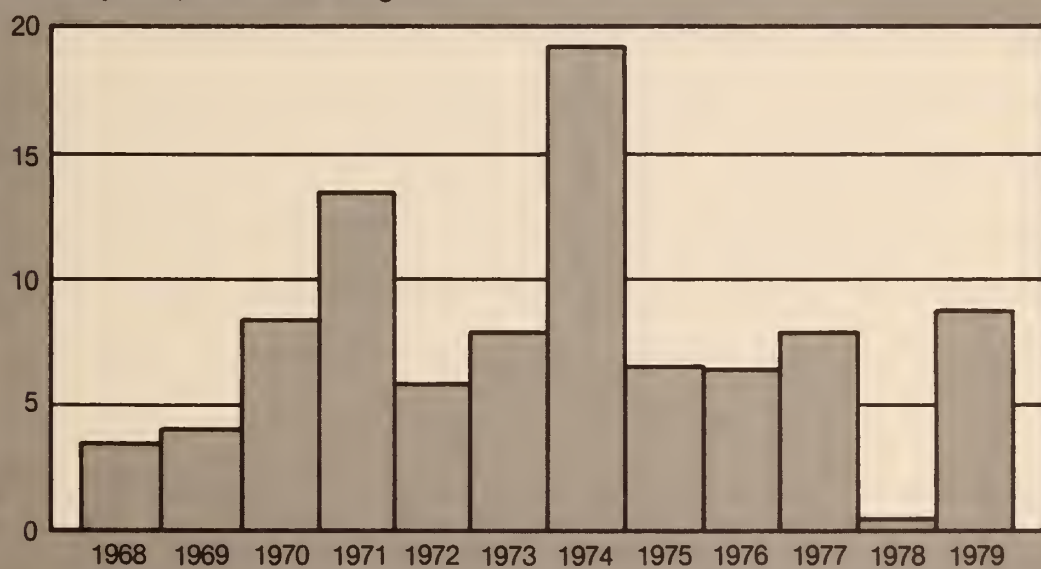
CHART 2

**Price index of operating costs for rent stabilized  
apartment houses in New York City  
April 1967-1979**

Index, April 1967 = 100



**Over-the-year percent changes**





a 5.7 percent rise in the preceding year and 9.7 percent between April 1976 and April 1977. The upward movement in the rate of price increase over the last year reflected some acceleration for the contractor services and parts and supplies components.

Since the 1967 base period, the all items index has substantially more than doubled, rising 139 percent in twelve years. The largest component increase was for fuel and utilities, up 373 percent, almost three times the overall rate of increase. Among other index components, increases ranged from a high of 216 percent for insurance costs to a low of 71 percent for taxes, fees and permits.

A longer term review of index trends indicates that in six of the nine years since 1970, increases have ranged from roughly 6 to 8 percent, averaging 7.1 percent. Three years, 1971, 1974 and 1978, stand out in sharp contrast. In 1971 and 1974, the index rose sharply by 13.4 percent and 19.2 percent, respectively. (See table 2 and chart 2.) In each of these years, higher fuel oil prices accounted for the bulk of the increases. In 1978, the index edged up by 0.5 percent as declines in fuel oil and taxes offset increases in other sectors.

Taxes, fees and permits Reflecting declines in assessments, the tax index was down 2.3 percent between April 1978 and April 1979, marking the second decrease on record for this component. The 1978-79 assessment drop followed a 1.9 percent decline in the preceding year, bringing total decreases in assessments to 4.2 percent for the two-year period. Between April 1978 and April 1979, the tax rate remained unchanged after dropping 0.5 percent a year earlier.



**Table 2. Price index of operating costs for  
rent stabilized apartment houses,  
New York City, April 1967–1979**

Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	103.5	3.5
1969.....	107.6	4.0
1970.....	116.6	8.4
1971.....	132.2	13.4
1972.....	139.7	5.7
1973.....	150.8	7.9
1974.....	179.7	19.2
1975.....	191.3	6.5
1976.....	203.5	6.4
1977.....	219.5	7.9
1978.....	220.5	0.5
1979.....	238.6	8.2

On a long term basis, the tax component increase has been moderate as compared with the rest of the index. Since 1967, taxes rose 71 percent, considerably below the 197 percent increase for all the other components of the index combined. Despite exhibiting the slowest average rate of increase among the eight major index groups, taxes have accounted for roughly a quarter of the all-items index rise, reflecting this component's considerable importance in the index.

Labor A 10.5 percent 1978-79 rise for the labor index was impacted substantially by compensation changes for workers of Local 32-B, the most important labor group for the housing sector covered by the index. Average pay levels of Local 32-B workers covered by the study rose by roughly 12 percent

between April 1978 and April 1979, as a result of a deferred increase received in October 1978 and one effective April 21, 1979 under a newly negotiated agreement.

Also contributing to the 1978-79 increase were union wage increases granted in September 1978 and March 1979 to Bronx workers represented by Local 32-E as well as higher nonunion wages. The nonpayroll part of the labor component rose by about 6 percent, with higher employer contributions to social security, union health and welfare benefit funds, and unemployment insurance.

Fuel and utilities The 24.5 percent rise in the fuel and utilities component between April 1978 and April 1979 was the steepest since the 1974 energy crisis. Sharply higher fuel oil prices, up 43 percent, contrasted with a fuel oil price decline of 11 percent in the preceding year. For the utilities sector, the 1978-79 increase was 5 percent as compared with a 4 percent rise a year earlier.

Because of its sharper than average price increase, the fuel and utilities component, which accounted for 13.3 percent of the operating costs included in the index in 1967, now accounts for 26.3 percent. Since 1967, fuel and utilities price increases have been responsible for roughly 36 percent of the index rise, the single largest impact of any index group. (See chart 3.)

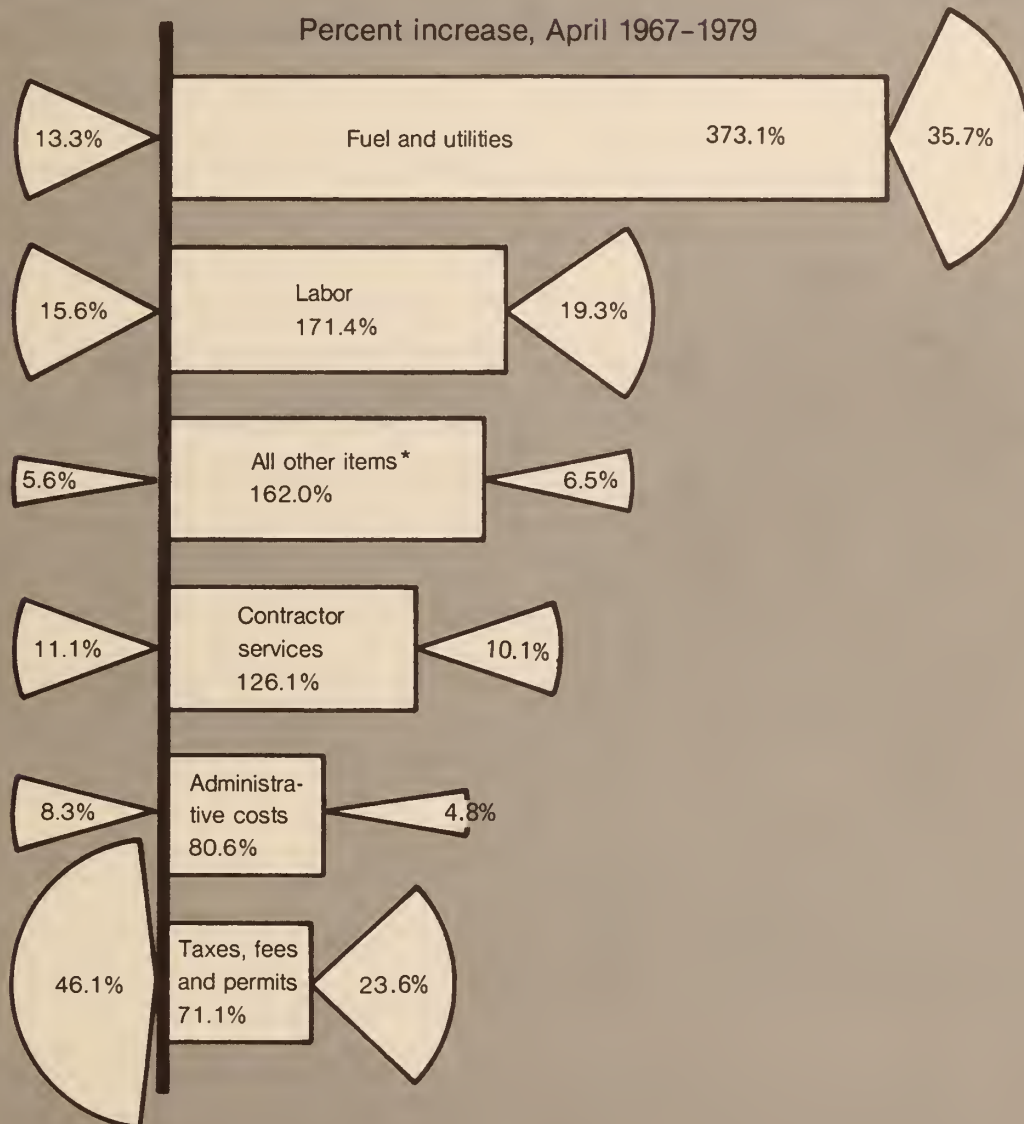
Contractor services An 8.2 percent rise in the contractor services index between April 1978 and April 1979 primarily reflected higher prices for plumbing and repainting. Also contributing to the over the year increase were higher prices for elevator maintenance, roofing and boiler repairs. Since

CHART 3

**Price increases and relative importance by component,  
impact on overall index increase  
April 1967-1979**

Percent distribution  
of relative  
importance, 1967

Percent distribution of  
impact on overall price  
index increase since 1967



\*All other items includes: Insurance, parts and supplies, replacement costs

1967, the contractor service component has risen by 126.1 percent and accounted for about 10 percent of the overall index increase.

Administrative costs Between April 1978 and April 1979, the administrative cost index rose 5.2 percent, primarily reflecting increases in management fees. Higher accounting fees and office supply prices also contributed to the increase. Since 1967, the administrative cost index has risen 81 percent as compared to the overall index rise of 139 percent. The administrative cost component, which accounted for 8.3 percent of the operating costs in 1967, has accounted for about 5 percent of the overall index rise since then.

Insurance Increases in fire insurance premiums were primarily responsible for the insurance index rise of 4.4 percent between April 1978 and April 1979. The 1978-79 rise followed a 6.2 in the preceding year and a 3.9 rise for the year ending April 1977. Increases over the past three years have been moderate as compared to a 32.7 percent rise for the April 1975-April 1976 period. Over the past 12 years, a 216 percent rise for the insurance component was substantially above the 139 percent increase for the entire index. Increases in insurance premiums have accounted for about 4 percent of the overall index increase since 1967.

Parts and supplies Higher prices for buckets, brooms and light bulbs, helped to raise the parts and supplies index by 9.0 percent between April 1978 and April 1979. The 1978-79 increase compared with a 7.3 percent rise in the preceding year and was the sharpest since 1975 when this component rose 17.2 percent. Since 1967, the parts and supplies index has risen 136 percent, at roughly the same rate as the overall index.

Replacement costs Prices of appliances and lobby furnishings purchased for replacement were up 7.3 percent between April 1978 and April 1979, following a 5.3 percent rise in the preceding year. Higher refrigerator and gas range prices were largely responsible for the 1978-79 increase. The replacement cost index has risen 94 percent since 1967, at a slower pace than the overall index.

Price trends since 1967 The sharpest advances since the 1967 index base period were for the fuel and utilities and insurance indexes, up 373 percent and 216 percent, respectively. The smallest increases over the same period were for taxes, fees and permits up 71 percent, and for administrative costs, up 81 percent.

In addition to the rate of price change of an expenditure group, a second variable influences the overall index change, the relative importance or weight of a component. For example, taxes, accounting for close to half of operating expenses in 1967, rose 71 percent over the 12 year period, as compared with an increase of 139 percent for the overall index. Although the tax index increase was only slightly more than half the overall rise, because of the tax component's large weight, it was responsible for roughly a quarter of the all-items rise since 1967.

In contrast, with a post-1967 increase triple that of taxes, insurance accounted for only about 4 percent of the all items index increase since 1967. Insurance represented only a minor part of total operating costs in the 1967 index base period of 2.4 percent.

The fuel and utilities component with the largest increase since 1967, 373 percent, has accounted for 36 percent of the overall index price rise

since then. In 1967, this component accounted for 13.3 percent of the operating costs covered by the survey. As a result of its sharp increase since then, in 1979 it accounted for 26.3 percent of the index and was the second most important component next to taxes, fees and permits which accounted for 33.0 percent.



## Characteristics of the index

The price index of operating costs measures the change in price of a constant mix of goods and services reflecting 1969 expenditure patterns of stabilized apartment building operators in New York City. A stabilized apartment house for purposes of this study is defined as a dwelling where the majority of the rental units have been subject to rent stabilization continuously since 1969.

The index covers price data for eight major expenditure classes: taxes, fees, and permits; labor; fuel and utilities; contractor services; administrative costs; insurance; parts and supplies; and replacement costs for lobby furnishings and appliances. Information on 1969 expenditures, obtained from building operators, was used to develop the index weights for the various goods and services purchased to operate these units. The items priced were selected to be representative of commodities and services used in such operations.

The index measures price change of a fixed market basket from a designated reference period, in this case April 1967. In interpreting the index number, an index of 150 would mean that there was a 50 percent increase in prices since the base period; similarly, an index of 90 would mean a 10 percent decrease. Movements of the index from one date to another are typically expressed as percent changes rather than changes in index points; changes in index points are affected by the base period, while percent changes are not.

The index is a "price" index rather than a "cost" index. That is, index movements are determined by changes in prices of goods and services

purchased by building operators rather than by changes in both prices and quantities purchased. The price index, of course, does reflect costs in that it measures price change of items which are costs to the purchaser.

To the degree that the base-period market basket becomes less representative because building operators purchase more or fewer units of the same item, the index would to some extent lose its appropriateness as a measure of changing costs. During 1974, a study was undertaken to evaluate the adequacy of the current index weights. This test indicated that the expenditure weights used for the index had not changed sufficiently since 1969 to significantly distort year-to-year changes.

Another approach to this study could have been to obtain data over time on costs from real estate operators' records. This approach was not taken since the index would be impacted not only by changes in price but by the variability in quality and periodicity of services and repairs which are difficult to measure.

It is not feasible or necessary to obtain price data for all the goods and services purchased in order to calculate a valid index of price change. A sample of representative items was selected for inclusion in the "market basket" priced. The content of this market basket, in terms of items, quantities, and quality, is kept unchanged in the year-to-year index calculations so that any movement of the index from one year to the next is due solely to change in prices.

Since this index represents the average movement in the price of goods and services used in operating only those New York City dwelling units in buildings under rent stabilization since 1969, it is not directly applicable

to any other group of apartment house operators. Similarly, individual rent stabilized operators may find their costs changing differently because of variations in the relative importance of costs or other changes in composition of cost factors.

## **Price data collection**

Prices used in calculating the index are obtained from a representative sample of about 900 respondents. Personal visits are made to some 500 business establishments where rent stabilized apartment house operators purchase goods and services. Included among these outlets are union locals; fuel suppliers; hardware and appliance distributors; office supply and stationery stores; service contractors; utility companies; management firms; attorneys; accountants; newspapers; advertising agencies; insurance brokers; appliance, boiler and other types of repair and service shops.

Rentals obtained for a sample of about 400 rent stabilized apartments are also used as inputs for measuring changes in management fees. Real estate tax data are collected for a sample of 900 establishments operating some 2,400 rent stabilized buildings. Building characteristics and insured value data for a sample of 100 realty establishments, including both single buildings and apartment house complexes, coupled with rate information for a sample of 18 insurance companies, are used to develop estimates of insurance charges.

Specification pricing To insure that the index reflects changes in prices and not changes due to quantity or quality differences, detailed specifications describing the items in the market basket are used. Bureau

representatives, who receive classroom and on-the-job training, carefully determine whether the goods and services for which they record prices conform to specifications.

"Specification pricing" is a key tool in pricing procedures. It is designed to ensure the comparability of the price index over time by providing a detailed description of the price-determining characteristics of an item. Tracing price change for a carefully defined product helps to assure that index movements reflect only actual price change and not the effect of comparisons of high (or low) qualities of a product or service in one year with lower (or higher) qualities in another year.

For a few items, the brand name or the model number, as for ranges and refrigerators, may become part of the defined quality. Care is exercised to assure that a comparable product is priced over time, whether or not brand names or models change. Terms of sale and quantities purchased are also part of the specification. Specifications are regularly evaluated and modified to maintain the currency of the index. Information on market conditions and changes in product lines is used to ensure that the specifications are up to date. Selected specifications developed for this index are presented in Appendix B of this report.

Frequency of data collection Since the index measures price change from April to April of each year, it is not necessary to obtain prices for all sample items at more frequent intervals. However, for about half of the 65 specifications in the index, pricing is undertaken semi-annually to provide a vehicle for experimental pricing of new or modified specifications, and to minimize reporting errors.

More frequent pricing also provides a better gauge of price movement for evaluation of prices collected for inclusion in the index. Finally, more frequent data collection provides a basis for early identification of changes in products or services which may require modification, allowing more time for needed changes to be tested and incorporated into the current year index.

In addition to the April data collection used for index construction, prices are collected in October of each year for the following components and items: fuel oil; all contractor services except elevator maintenance; legal and accounting fees; office supplies; janitorial parts and supplies; appliance replacements and lobby furnishings. For fuel, which in recent years has been subject to substantial price fluctuation, data are collected in December and February, in addition to April and October so as to maintain a more detailed time series. This additional pricing helps to insure maximum comparability of price data collected from individual respondents.

Prices for utilities; elevator maintenance; labor; insurance; management fees; newspaper advertising rates; and real estate taxes are not scheduled for semi-annual collection because price information for these items is obtained from public or payroll records and contractual agreements. Since these prices are largely set once a year or at other intervals, more than one update in each index reference period would not provide any improvement in the quality of the data.

Pricing for all items in the index is based upon actual goods and services purchased by apartment house operators covered by this study. The sample of vendors used for pricing was drawn from listings of companies servicing these operators.



## Relative importance of components

The relative importance of a component of the index represents its basic value weight from the expenditure survey adjusted for price change. These expenditure weights, expressed as percentages of overall costs, are presented in table 3. The relative importance of a component represents the value of the items priced within it plus the value of unpriced commodities and services assumed to have price movements similar to those of the sample items. Initial value weights were based on actual annual expenditures for the various groups collected in a survey of apartment house operators' expenditures in 1969. More detail on the relative importance of individual items within the various expenditure classes was published in Regional Report No. 17.

Changes in relative importance, 1967-79 Value weights and corresponding relative importance ratios are adjusted by different rates of price change among the various items, i.e., relative importance increases over time for an item or group having a greater than average price increase, and decreases for those having a less than average rate. For example, the taxes, fees and permits component rose at a significantly slower pace than all-items, 71 percent over the twelve year period compared to 139 percent; as a result, the relative importance of this group fell from 46.1 percent in 1967 to 33.0 percent in 1979.

Although the relative importance of index value weights does not precisely indicate current expenditure patterns, it is useful in analyzing the movement of the index. Table 3 shows the relative importance of major groups in the index for 1967 and 1979. These figures show how operators would have



**Table 3. Relative importance of components of the price index of operating costs for rent stabilized apartment houses, New York City, April 1967 and April 1979**

Group	1979 Index (April 1967=100)	Relative importance	
		1967	1979
All items.....	238.6	100.0	100.0
Taxes, fees and permits....	171.1	46.1	33.0
Labor costs.....	271.4	15.6	17.7
Fuel and utilities.....	473.1	13.3	26.3
Contractor services.....	226.1	11.1	10.6
Administrative costs.....	180.6	8.3	6.3
Insurance costs.....	316.0	2.4	3.2
Parts and supplies.....	236.4	2.0	2.0
Replacement costs.....	194.1	1.2	0.9

allocated their expenditures if they had continued to purchase the same kinds and amounts of commodities and services as they had in 1969, the reference period for the expenditure survey which was the basis for the initial expenditure value weights. However, the relative importance of items in 1967 and 1979 does not represent a distribution of actual expenditures for these years, since there may have been some variation in the patterns of purchases of goods and services since the 1969 expenditure survey.

### **Study design improvements**

As part of a program of evaluation and quality improvement built into the design of this as well as other Bureau of Labor Statistics surveys, the index design is reviewed on a continuing basis and modifications made to

improve or maintain the quality and currency of the index inputs. In 1979, the outlet samples for insurance companies and newspapers were redrawn and updated. A three year program for augmenting the size of the fuel oil sample was completed and introduced into the index together with the development of a new procedure for improving the sampling error of grade No. 6 fuel oil.

During 1978, the outlet sample for the fuel index was expanded and data from these new outlets were incorporated into the 1979 index. In view of the importance and periodic volatility of fuel prices, improving the reliability of this component also served to improve the reliability of overall index changes over time. The decision to expand the fuel outlet sample was an outgrowth of the 1975 introduction of sampling error measures for the index.

The development of usable listings of fuel vendors was completed in stages during 1977 and 1978. Some 400 establishments were contacted to identify roughly 100 for possible inclusion in the sample. Of these, 22 were subsequently initiated for pricing in 1978 bringing the overall sample to over 40. Information was also obtained for the new sample members on the relative volume of business done with the apartment house sector. Such data now permit the development of better sampling error estimates.

In order to refresh and augment the insurance companies sampled for the rate and discount information needed construct the insurance index, a redrawing of the insurance company sample was completed in 1979. Information on insurance companies serving a sample of 100 apartment houses was collected in 1978. To properly represent the 28 companies found to underwrite the policies for these 100 realtors, insurance expenditure data from building operators were used as proxies for volume of business.

For the newspaper advertising specification of the administrative cost component, the sample of newspapers priced and the relative importance of sales for apartment rental advertisements assigned to them had been defined through 1978 from circulation data. To better reflect the actual use patterns of the stabilized sector, information on the newspapers with which classified rental advertising is placed was obtained in 1978 from a sample of realtors. Weights were assigned to the newspapers on the basis of advertising costs reported by these building operators.

As in earlier years, all commodity and service specifications were evaluated and revised or updated where appropriate. Technical materials designed to assist price data collectors and reviewers were updated during the last year. These materials are based on data collected from trade associations, vendors, and apartment house operators. A specification manual, technical glossary and illustrative brand lists, identifying brands and models which match or deviate from price specifications, were updated. These materials are used in training, to facilitate data collection, and as aids in minimizing reporting error.

## Component indexes

The selection of items for the index is based upon a number of variables, mainly the relative importance of the item as a component of total operating costs as well as the availability of reliable price data over time. For each item selected, price relatives are calculated by dividing the aggregate or average price in the current period by the comparable estimate for the preceding period.

The index measures the change in the total price, that is, the total amount the buyer has to pay for the commodity or service purchased. The concept of price is in most cases clear--the price is the amount charged for a carefully defined pricing unit with specific terms of sale. The price includes related charges or sales and excise taxes which the purchaser is required to pay. The total price utilized for the index is therefore affected by changes in price as well as any changes in the applicable tax rates or other special charges included in the purchase price. Cash, volume, trade and other discounts, as well as delivery charges--important factors in price change for some items--are also included in the purchase price.

A modified type of pricing is used for a number of index components where the price paid is administratively determined. For example, real estate taxes are computed by applying the appropriate tax rate to estimates of assessed values. A change in either of these components affects the total tax bill for an apartment house operator. In order to reflect the price actually paid, the total bill for a matched sample of some 2,400 buildings is calculated for the index.

## **Over-the-year price changes**

The Price Index of Operating Costs was up 8.2 percent between April 1978 and April 1979. The rise resulted primarily from sharp price increases for fuel oil as well as increases in the labor sector, principally reflecting higher union wage levels. Some moderation resulted from a 2.3 percent decline in the taxes, fees and permits index, the largest expenditure category covered by the survey. Price increases for all other index groups combined averaged 6.8 percent.

The 1978-79 index rise of 8.2 percent compared with a 0.5 percent increase in the preceding year and a 7.9 percent increase between April 1976 and April 1977. The fuel and utilities index, down 3.9 percent in the preceding year, rose sharply by 24.5 percent over the year ending April 1979. The labor index rose by 10.5 percent since April 1978, compared to a 6.4 percent increase a year ago. The sharper 1978-79 labor rise largely resulted from the introduction of a new labor contract which became effective as of April 21, 1979.

The taxes, fees and permits index dropped 2.3 percent between April 1978 and April 1979, about in line with a the 2.4 percent decline in the preceding year. For all other items covered by the index (contractor services, administrative costs, insurance, parts and supplies and replacement costs), an April 1978-79 combined increase of 6.8 percent compared with a 5.7 percent rise in the preceding year.

### **Taxes, fees and permits**

This index is represented by real estate taxes, which account for virtually all of the expenditure category. There are two variables which



determine the price relative for real estate taxes, the tax rate per hundred dollars of assessed value and the assessed value of the property. A change in either of these components affects the amount of tax a property owner is required to pay.

The price relative was calculated from tax bills for a sample of about 900 establishments with about 2,400 buildings. The reporting units in the sample were systematically drawn with probability of inclusion proportional to size. That is, a selection was made at regular intervals from a universe listing of buildings arrayed by borough and size (number of stabilized apartment units), the intervals being a constant number of apartment units. One selection was made for each 300 units. Reporters larger than the selection interval became certainty selections representing only themselves. The weight for each selection was the sampling interval divided by the number of stabilized apartment units.

The assessed valuation for each property in April 1979 was obtained and compared with the information obtained for April 1978. Changes in assessments were reviewed and where appropriate verified. Assessments were edited to eliminate differences clearly resulting from structural changes in the property such as additions or improvements. The changes in assessments used in the index reflect comparisons for identical properties.

The bill from which the price relative is calculated represents the current amount of tax due based on current assessments and tax rates. To measure changes between April 1978 and April 1979, the assessment for each establishment was individually weighted to provide representation of all apartment houses covered by the survey. These weighted assessments were



aggregated by borough and multiplied by the appropriate tax rates. Borough totals for these matched samples of buildings were summed for each year to arrive at weighted aggregate tax bills for 1978 and 1979. These aggregates were used to develop the price relative for taxes.

Price trends The taxes, fees and permits index declined by 2.3 percent between April 1978 and April 1979. The decrease entirely reflected a drop in assessments, as the real estate tax rate remained unchanged over the year. The 1978-79 decrease followed a 2.4 percent drop in the preceding year.

Since 1967, the pattern of increase for the tax index has varied. In the years 1968-72, relatively moderate over-the-year increases of 2.3 and 3.7 percent in 1968 and 1969 and 2.5 percent in 1972 were interspersed with better than 7 percent rises in 1970 and 1971. Between 1972 and 1977, sharp

**Table 4. Price index of taxes, fees and permits**

Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	102.3	2.3
1969.....	106.1	3.7
1970.....	113.9	7.4
1971.....	122.7	7.8
1972.....	125.8	2.5
1973.....	136.4	8.4
1974.....	144.3	5.8
1975.....	153.6	6.4
1976.....	169.6	10.4
1977.....	179.3	5.7
1978.....	175.0	-2.4
1979.....	171.1	-2.3

increases of 8.4 percent and 10.4 percent in 1973 and 1976, were interspersed with increases of 5.8 and 6.4 percent, respectively, for 1974 and 1975, and 5.7 percent for 1977. (See table 4.) Except for 1973 and 1976, the rate of change for taxes has been less than the total index. (See chart 4.)

Over the past two years, declines in assessments as well as the tax rate have contributed to decreases totalling 4.7 percent for the overall tax index. The pattern of decline in assessments has been evident for a number of years. As indicated in the table below, the 2.3 percent 1978-79 fall in assessment levels followed decreases of 1.9, 1.6 and 0.8 percent, respectively, in the three preceding years and marked the fourth consecutive year of citywide decline.

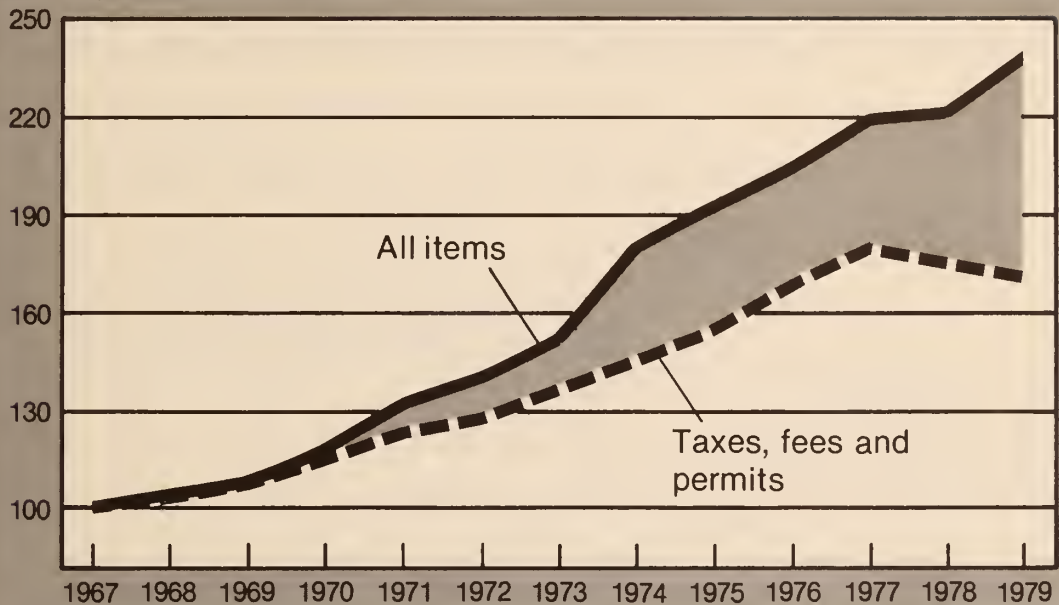
Year (as of April)	Percent change		
	<u>Total bill</u>	<u>Assess- ments</u>	<u>Tax rates</u>
1976	10.4	-0.8	11.3
1977	5.7	-1.6	7.4
1978	-2.4	-1.9	-0.5
1979	-2.3	-2.3	0

While assessment decreases were reported throughout all the boroughs in each of the last four years, the pattern of decline, consistent during the entire period, differed between Manhattan and the rest of the City. The four year Manhattan decline was 3.1 percent, less than half the 8.8 percent drop for all other boroughs combined.

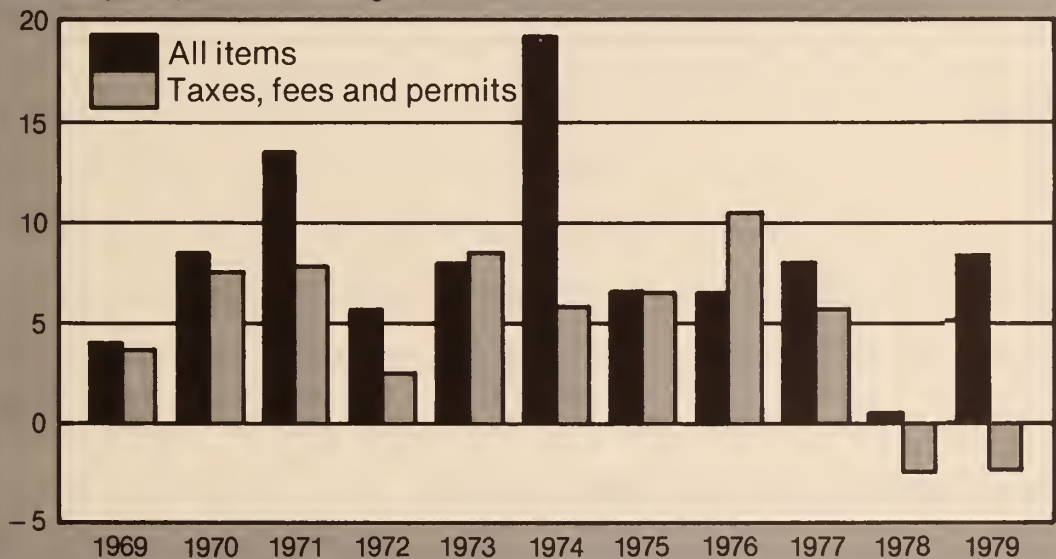
	Rate of assessment decline (percent as of April)				
	<u>1975-76</u>	<u>1976-77</u>	<u>1977-78</u>	<u>1978-79</u>	<u>1975-79</u>
New York City.....	-0.8	-1.6	-1.9	-2.3	-6.4
Manhattan.....	-0.4	-0.2	-1.2	-1.2	-3.1
All other boroughs combined.....	-1.1	-2.5	-2.4	-3.0	-8.8

**CHART 4**  
**Price index of taxes, fees and permits**  
**April 1967-1979**

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



The proportion of properties with assessment changes in each of the past four years is presented below. The data point up the prevalence of assessment declines during this period. Between April 1978 and April 1979, among the 1145 block lots in the index sample, 50 percent experienced declines and only 4 percent reported increases. For Manhattan, the corresponding proportions were 21 percent with assessment declines and 10 percent with increases. In the rest of the City, 61 percent were down and 2 percent up.

	Percent of block/lots reporting changes in assessments			
	<u>1975-76</u>	<u>1976-77</u>	<u>1977-78</u>	<u>1978-79</u>
<u>Declines</u>				
New York City.....	28	38	46	50
Manhattan.....	22	15	20	21
All other boroughs combined.....	30	46	56	61
<u>Increases</u>				
New York City.....	4	4	2	4
Manhattan.....	10	10	5	10
All other boroughs combined.....	2	1	1	2

## Labor costs

Direct payroll costs, accounting for 86 percent of the labor index cost weight, tend to be the predominant factor affecting the labor index change. Other items in this component for which price relatives are computed include employer payments for social security and unemployment insurance, and for union pension, health and other benefit plans.

Changes in payroll costs are estimated from changes in wages for workers in both union and nonunion establishments. The 1969 expenditure

survey showed that 90 percent of the union workers employed in apartment buildings covered by the study were members of the Building Service Employees International Union, Local 32-E for the Bronx and Local 32-B for the rest of the City. Because of the predominance of membership in Locals 32-B and 32-E, negotiated rate changes for these two unions are used as the best available measure of union wage change.

To measure the change in wages for workers in nonunion establishments, changes in straight-time earnings of superintendents and janitors in stabilized buildings are obtained. Wage rates for these workers were collected for April 1978 and April 1979 from a sample of respondents in about 50 establishments that participated in the 1969 expenditure survey.

For payroll costs, separate price relatives and weights were calculated for: (1) all Bronx workers (predominantly unionized and covered by Local 32-E); (2) superintendents in the four other boroughs in unionized buildings; (3) superintendents in nonunion establishments in boroughs other than the Bronx; (4) all other workers in union establishments in all boroughs except the Bronx; (5) all other workers (represented by wage rates for janitors) in the four boroughs in nonunion establishments.

Between April 1978 and April 1979, Local 32-E pay levels covering workers in the Bronx rose due to deferred payments which became effective in September 1978 and March 1979 from an agreement reached in October 1976. Local 32-B wages for workers in all other boroughs resulted from two wage increases: a deferred wage increase received in October 1978 based on a contract signed in May 1976 and a wage increase paid retroactively to April 21, 1979 under a new agreement reached in early May 1979.

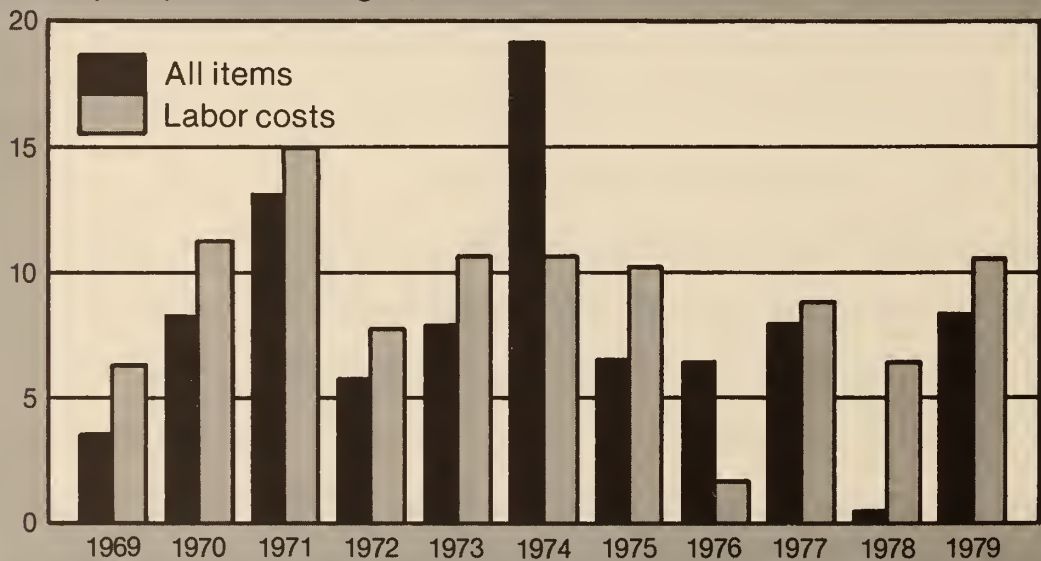


**CHART 5**  
**Price index of labor costs**  
**April 1967-1979**

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



Since 1976, the Local 32-B contract has included a cost-of-living adjustment clause designed to compensate workers for increases in living costs exceeding wage gains. Cost-of-living adjustments are determined each May retroactive to April 21. No escalator adjustment was made in May 1978 since over-the-year wage changes in April 1978 exceeded the increase in the New York-Northeastern New Jersey Consumer Price Index.

Changes in employer payments for social security are calculated separately for union superintendents in Local 32-B and for all other workers. For these unionized superintendents, the taxable earnings base for social security payments includes the value of rent received as pay in addition to cash wages while the social security tax for all other workers is based solely on changes in pay levels. In 1979, the social security income cutoff rose to

**Table 5. Price index of labor costs**

Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	106.3	6.3
1969.....	111.8	5.2
1970.....	124.6	11.4
1971.....	143.3	15.0
1972.....	154.4	7.8
1973.....	170.8	10.6
1974.....	189.0	10.6
1975.....	208.4	10.2
1976.....	212.2	1.8
1977.....	230.9	8.8
1978.....	245.6	6.4
1979.....	271.4	10.5

\$22,900 from \$17,700 in 1978 and social security tax rates increased over the year to 6.13 percent from 6.05 percent.

Price trends A 10.5 percent rise in 1978-79 for the labor component was sharper than increases of 6.4 percent and 8.8 percent respectively, in the two preceding years. The current year rise for labor was the largest since 1975 and about in line with increases during 1973 and 1974. (See table 5 and chart 5.)

The 1978-79 rise of 10.5 percent for labor was primarily based on higher payroll costs. Pay scales, up 11.2 percent between April 1978 and April 1979, accounted for over 90 percent of the labor index rise. A 6.0 percent increase for nonpayroll items, particularly employer payments for social security, accounted for the remaining portion of the labor index rise.

Since 1967, the labor index has risen 171 percent as compared with an overall index rise of 139 percent. Except for 1974 and 1976, the labor index has consistently risen at a faster pace than the all items index.

Labor, the third largest component of the index, had a relative importance of about 18 percent in 1979 and has been responsible for roughly 19 percent of the total index increase since 1967. Payroll costs, the single most important item in the labor index accounted for some 16 percent of the overall index rise since 1967.

## **Fuel and utilities**

The specifications for fuel and utilities are representative of actual consumption patterns in New York City rent stabilized apartment buildings. They are derived from an analysis of expenditures and usage levels

in establishments covered by the study. Described below are the pricing procedures used to compute the fuel and utilities component relatives.

Fuel oil The specifications developed for measuring fuel oil price change were designed to cover buildings of different size. Data on the type and amount of fuel oil consumed annually and amount per delivery were obtained from a sample of apartment house operators and fuel oil distributors. The item sample was designed to represent rent stabilized buildings of all sizes in all boroughs.

Coverage includes prices for fuel oil No. 4 and two delivery sizes of No. 6 residual fuel. Quotations for the lowest delivered price per gallon, New York City legal sulphur limit, were obtained from a sample of 45 distributors for three types of deliveries. The price per gallon, including volume discounts for the three deliveries listed below, was obtained and weighted according to the relative importance of dollar expenditures of each for different types of buildings covered by the study.

<u>Grade</u>	<u>Number of gallons per delivery</u>	<u>Number of gallons purchased annually</u>
No. 4	3,000	50,000
No. 6	4,000	100,000
No. 6	5,500	225,000

Beginning with the 1979 index, an improvement to the method of calculating price changes for fuel No. 6 was introduced. The sample of No. 6 fuel distributors from which price quotations were obtained was weighted by employment size (used as a proxy for sales volume) to represent all vendors of No. 6 fuel to stabilized apartment buildings. Roughly 60 percent of the universe

of No. 6 fuel suppliers provide price information for the index. This procedure, in addition to improving index inputs, serves to reduce sampling variability, thus making the index results more reliable.

Electricity Three representative monthly bills covering April usage levels for electricity were calculated for: (1) 2,500 kilowatt hours of energy; (2) 35 kilowatts of demand and 15,000 kilowatt hours of energy; and (3) 220 kilowatts of demand and 82,000 kilowatt hours of energy. The two smaller bills were determined by examining usage levels of buildings which only purchase electricity for public areas and hallways, while the larger bill also covers electricity redistributed to tenants' apartments.

The three bills were weighted to represent the relative importance of each bill in total electricity costs reported for rent stabilized apartment houses. The consumption levels shown in the three bills for electricity, and the consumption levels for gas and purchased steam as well, were determined from records of actual usage levels for a sample of 90 buildings.

Water and sewerage Charges for water and sewerage for 1978-79 were reviewed for 100 sample establishments. In years when price changes occur, actual bills are collected for each unit from the various borough offices of the New York City Bureau of Water Registry. The 100 establishments in the sample are all unmetered, so that a standard water bill is priced from year to year. These bills are determined by the frontage, number of floors, housing units, and various types of water outlets (such as sinks) in the building. Sewerage charges are calculated as a flat percentage of each water bill.

Purchased steam Two bills representative of April usage levels of purchased steam were priced for the index; (1) for 2,600,000 pounds, typical



of usage in noncentrally air conditioned buildings and apartment complexes and (2) for 1,200,000 pounds, typical of usage in centrally air conditioned buildings. In addition, the two steam bills were appropriately weighted to represent the relative importance of each bill. The amount of steam typically purchased was confirmed by an analysis of records of actual usage for a sample of over 30 establishments.

Gas Monthly bills covering April usage levels for gas were calculated for: (1) 12,000 cubic feet, (2) 65,000 cubic feet, and (3) 214,000 cubic feet.

The number of cubic feet allocated for the smaller bill was determined by examining usage levels of establishments which consume gas for oil burner pilots; for the intermediate bill, gas consumption covers gas for cooking in the superintendent's apartment or for water heating, in addition to the oil burner pilot; while the larger bill also covers gas for cooking in tenants' apartments. As with electricity, the gas bills are weighted to represent the relative importance of each bill.

Telephone Price changes reflect the monthly bill for 75 message units, business service rate.

Price trends The fuel and utilities index rose sharply by 24.5 percent between April 1978 and April 1979, following a decline of 3.9 percent in the preceding year. The 1978-79 rise was the sharpest since the 1974 energy crisis and the third largest on record for the twelve year period covered by the index.

Since 1967, the impact of fuel and utility price changes on the operating cost price index has varied on a year to year basis. In the late sixties,

the rate of fuel and utility price rise was less than half the overall index increase. Between 1967 and 1970, fuel and utilities rose 7.1 percent as compared with an all-items rise of 16.6 percent.

In 1971, largely reflecting sharp fuel oil price increases, a 43.9 percent over the year rise for this component was more than triple the total index increase. (See table 6 and chart 6.) In 1972, a 12.5 percent increase was more than double the overall rise. In 1973, at 7.9 percent, the all-items and fuel and utilities index increases were the same.

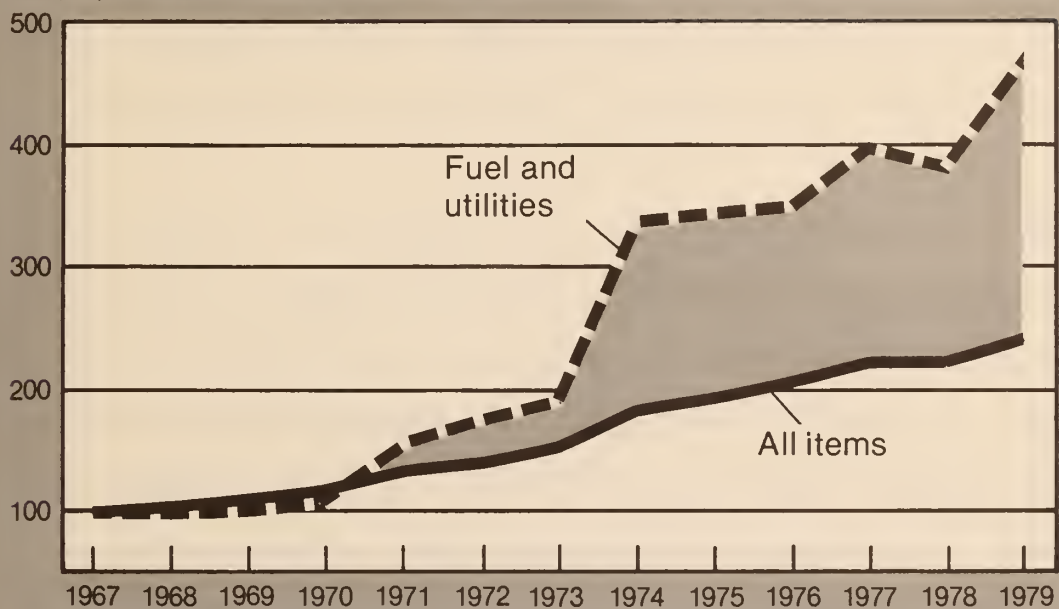
With the onset of the energy crisis, the 79.6 percent over the year rise in 1974 for this component was four times the overall index increase.

**Table 6. Price index of fuel and utilities**

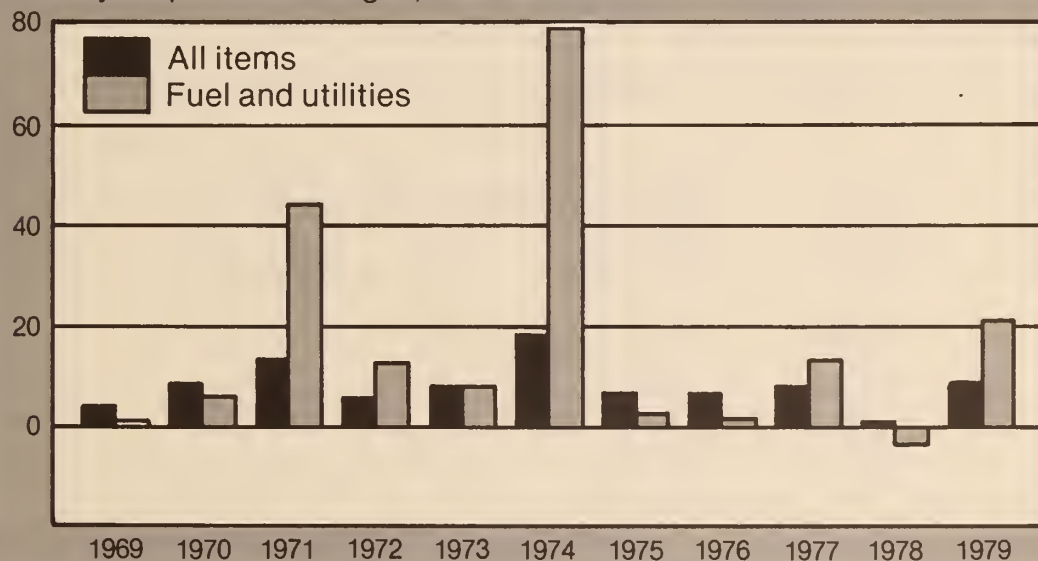
Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	99.8	-0.2
1969.....	100.7	0.9
1970.....	107.1	6.4
1971.....	154.1	43.9
1972.....	173.3	12.5
1973.....	187.0	7.9
1974.....	335.9	79.6
1975.....	345.1	2.8
1976.....	349.9	1.4
1977.....	395.4	13.0
1978.....	380.0	-3.9
1979.....	473.1	24.5

**CHART 6**  
**Price index of fuel and utilities**  
**April 1967-1979**

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



Between April 1974 and April 1976, the 4.2 percent rise in fuel and utilities was about a third of the two year overall index increase. For 1976-77, the fuel and utilities component rise of 13.0 percent was more than the all items index increase of 7.9 percent. In 1977-78, the decline in fuel and utilities, coupled with a drop in taxes, served largely to offset increases among other index components, resulting in the smallest overall index increase on record.

The 24.5 percent 1978-79 rise in fuel and utilities accounted for about two-thirds of the net all items index rise of 8.2 percent. All other items in the index excluding fuel and utilities rose 3.4 percent between April 1978 and April 1979, as compared to an increase of 1.8 percent in the preceding year.

A 43 percent jump in fuel oil prices accounted for almost 90 percent of the 1978-79 fuel and utilities increase and some three-fifths of the net all items rise. The dramatic fuel oil price hike of the last year contrasted with an 11 percent decline in the preceding year and was nearly double the 1976-77 increase of 22 percent. The 1979 increase was the largest since fuel oil prices soared 134 percent between April 1973 and April 1974.

<u>Year (as of April)</u>	<u>Over the year percent changes</u>		
	<u>Fuel and utilities</u>	<u>Fuel</u>	<u>Utilities</u>
1975	2.8	-1	7
1976	1.4	-2	5
1977	13.0	22	4
1978	-3.9	-11	4
1979	24.5	43	5

Estimates of fuel oil price change include adjustments to compensate for changes in heat yield, as measured by BTU's per gallon. Heat

yield declines since April 1978 resulted from changes in the country of origin of fuel consumed in New York City. Fuel consumed in 1979 provided slightly less yield than in 1978, resulting in a relatively minor upward adjustment to the 1978-79 estimate of price increase for fuel oil.

In the utilities sector, higher charges were reported for the purchased steam, electricity, natural gas and telephone components. Resulting from rate increases as well as the addition of a surcharge to compensate for lost business, the sharpest rise among the utility components was for purchased steam, up 17 percent between April 1978 and April 1979. In contrast, a 3 percent decline was reported for purchased steam in the preceding year. Increases were also reported for gas, up 8 percent over the year following a 16 percent increase in 1977-78. Reflecting rate increases, telephone bills edged up slightly over the year, while water and sewerage bills remained unchanged.

The electricity component rose 2 percent between April 1978 and April 1979 reflecting the impact of an April 24, 1979 rate increase. The affect of the rate increase would have been greater but for a downward adjustment in the rate structure which became effective in January 1979. That adjustment was designed to offset increases in summer surcharges intended to discourage usage in the peak consumption period between May 15 and October 15. A reduction in the sales tax was also a moderating factor. Had there been no modification of the summer/winter differential, the all items index percent increase for 1978-79 would have been 0.1 percentage point higher.



## Contractor services

Nine groups of maintenance and repair items are used to compute the index for contractor services. Included are: (1) repainting of a one-bedroom apartment, (2) plumbing repairs to replace a sink faucet and to clear a stoppage, (3) elevator maintenance contracts for three types of buildings, (4) heating repairs, two for boilers and one for burners, (5) appliance repairs for refrigerators and ranges, (6) roofing repairs, (7) air conditioning repairs, (8) wood floor refinishing and (9) work clothing rentals.

Price quotations for repainting were obtained from 40 contractors selected according to the geographic area they service. The sample of painting contractors was selected from listings of firms actually used by rent stabilized apartment house operators.

For plumbing repairs, price quotations for each of two jobs were obtained from a representative sample of 25 plumbing contractors selected according to the importance of expenditures of the geographic areas they service, following the same procedure for selection as described for painting contractors.

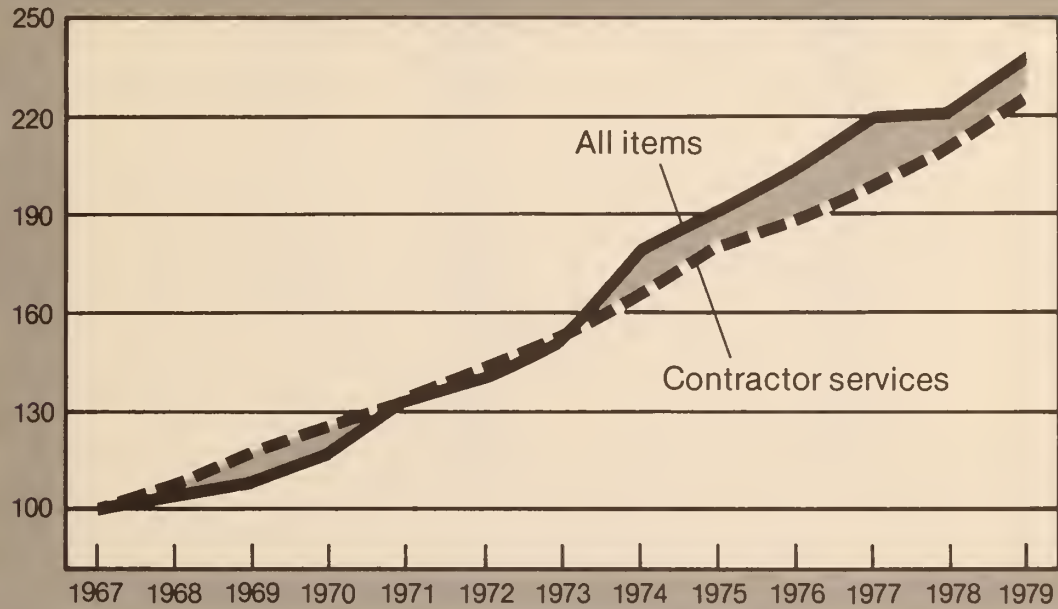
Price quotations for a one-year elevator service and maintenance contract for three different sizes of buildings were obtained from 20 companies. As with painting and plumbing contractors, the sample of reporters follows the distribution of expenditures by borough reported by building operators for the contractor service category in the 1969 expenditure survey.

Twenty contractors provided price quotations for roof repairs. For the remaining contractor service specifications, prices were obtained from a sample of 10 contractors per item. All samples were drawn on the basis of

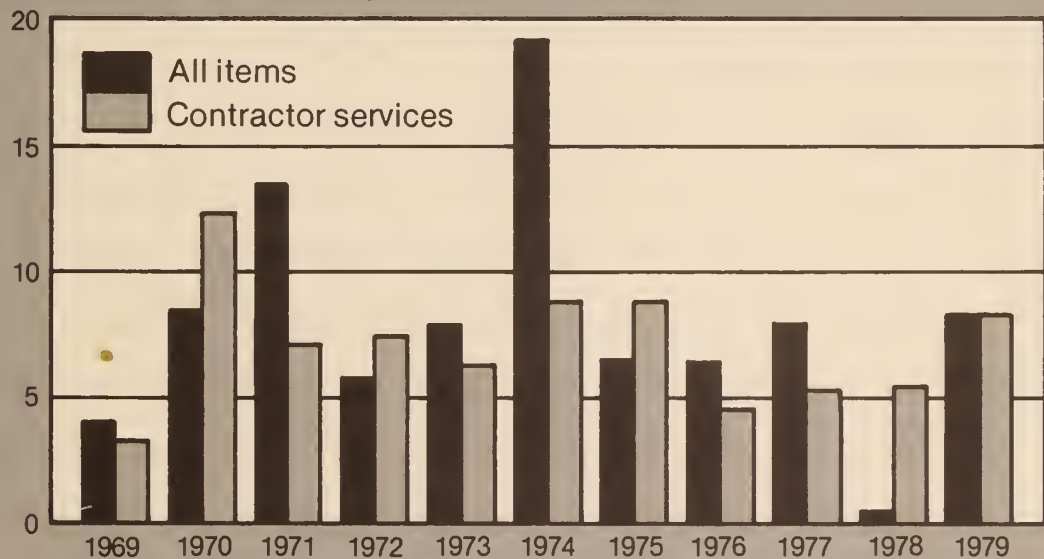
# CHART 7

## Price index of contractor services April 1967-1979

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



**Table 7. Price index of contractor services**

Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	107.5	7.5
1969.....	111.0	3.3
1970.....	124.6	12.3
1971.....	133.5	7.1
1972.....	143.3	7.4
1973.....	152.3	6.3
1974.....	165.7	8.8
1975.....	180.3	8.8
1976.....	188.3	4.5
1977.....	198.3	5.3
1978.....	209.0	5.4
1979.....	226.1	8.2

the distribution of expenditures by borough reported by building operators in the 1969 expenditure survey.

Price trends Between April 1978 and April 1979, the contractor services index rose 8.2 percent, following an increase of 5.4 percent in the preceding year. (See table 7.) The 1978-79 rise largely reflected higher prices for plumber services, painting and heating repairs as well as elevator maintenance. The 8.2 percent rise for 1978-79 compared with increases averaging 5.1 percent in the three preceding years. The 1978-79 rise was more in line with increases of 8.8 percent a year between April 1973 and April 1975.

In 1978-79, the rise for contractor services was in line with the 8.2 percent overall index increase. Over the longer run, contractor services have

increased somewhat less rapidly, rising 126 percent since 1967, as compared with an overall index rise of 139 percent. (See chart 7.) Price increases for this component have accounted for about 10 percent of the all items index rise since 1967.

## **Administrative costs**

Management fees are the largest component of administrative costs. In addition, operators of rent stabilized buildings reported expenditures for other administrative costs such as accounting and legal services, advertising, and office supplies.

Management fees, which represent roughly three-fourths of the administrative cost index, are most typically based on a percentage of total gross rent collected. These fees are often calculated either as a flat percentage or on a sliding scale in which the percentage declines as gross rent collection increases. Some fees are on a flat fee basis and not related to gross rent changes. Data on changes in apartment rents, management fee rates, and flat fees were used to develop the management fee portion of the administrative cost index.

Information on management fee rates and flat fees was obtained from a sample of about 25 management companies who provide information on their method of billing charges to over 50 stabilized apartment establishments. To calculate the management fee index, price relatives of changes in management fee rates were multiplied by the price relative reflecting changes in rents for a sample of about 400 New York City rent stabilized units. For a small number of management companies with negotiated flat fees not based on a

**Table 8. Price index of administrative costs**

Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	102.3	2.3
1969.....	107.8	5.4
1970.....	112.3	4.2
1971.....	120.9	7.7
1972.....	125.6	3.9
1973.....	129.8	3.4
1974.....	134.9	3.9
1975.....	142.5	5.7
1976.....	151.4	6.2
1977.....	162.4	7.3
1978.....	171.6	5.7
1979.....	180.6	5.2

percentage of gross rents, actual management fees were used after confirming that there was no change in the services being provided to building owners.

Price relatives were also developed for accounting and legal fees, advertising, and office supply expenses. The latter are represented by changes in prices for such items as ledger paper, lease forms, and bill payment envelopes. With the exception of advertising fees, 10 price quotations for each item and service were obtained from a representative sample of outlets consisting of 20 office supply and stationery stores, 10 attorneys and 10 accountants. For advertising fees, which are determined from changes in newspaper classified advertising rates, a sample of 10 newspapers as well as 10 advertising companies were contacted for fee information.

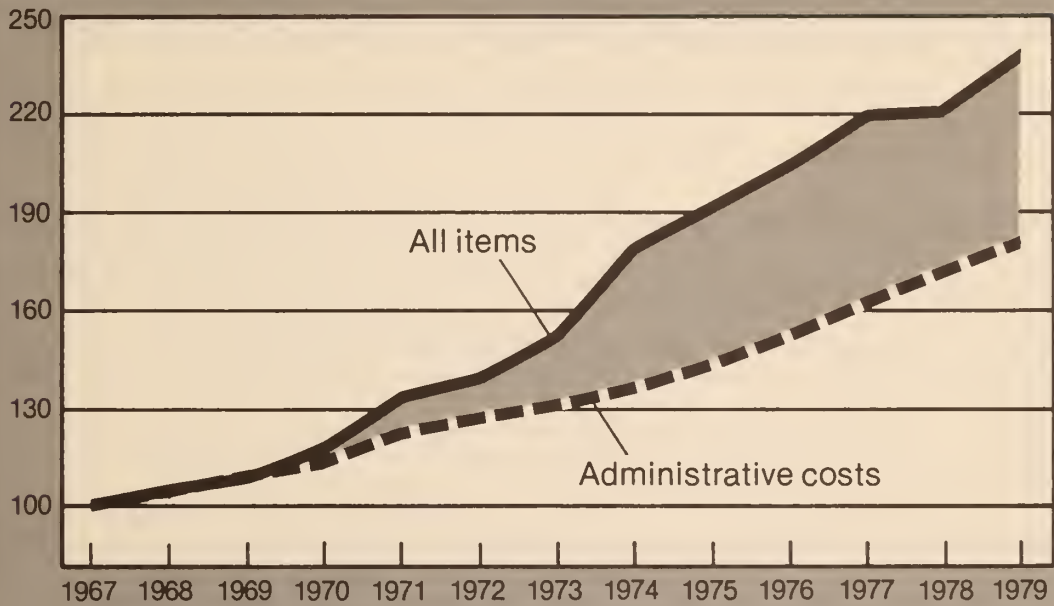
Price trends Higher management fee charges were largely responsible for an administrative cost index rise of 5.2 percent between April 1978



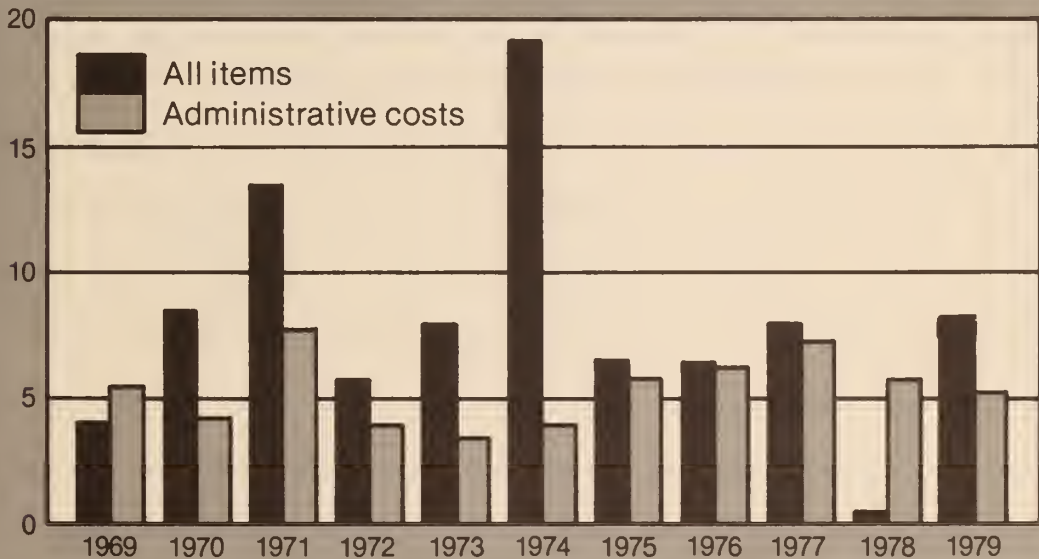
# CHART 8

## Price index of administrative costs April 1967-1979

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



and April 1979. Also contributing to the 1978-79 increase were higher accounting fees and office expenses. The 1978-79 component increase compared with a rise of 5.7 percent in the preceding year. (See table 8 and chart 8.)

Since 1967, the administrative cost index, which represents about 6 percent of the all-items index weight, rose by 81 percent, substantially below the overall index rise of 139 percent. Among the eight major index groups measured, the twelve year rate of price increase for administrative costs was among the slowest. Since 1967, 4.8 percent of the overall index increase has resulted from higher prices for this component.

## **Insurance**

Changes in premiums for a specific multi-peril policy, including fire and extended coverage, liability and boiler insurance coverage, are used to measure price movement for the insurance index. For fire, extended coverage, and liability insurance, premiums for a sample of 100 establishments are calculated. Fire and liability insurance premium data are adjusted to remove the extra cost of purchasing insurance because of mercantile occupancy.

Fire and extended coverage premiums are affected by changes in rates as well as changes in insured values of properties. Insured values are derived from directly collected actual cash value data for the properties whose construction and neighborhood characteristics are used in the multi-peril policy priced. Eighty percent of actual cash value, defined as replacement cost less depreciation, is the measure of insured value for each property. Actual cash value is collected from insurance policies for a sample of 100 establishments.

The insurance component is computed from estimated annual payments for a "special multi-peril policy". Policies for fire resistive buildings as well as other construction types, such as joisted masonry, noncombustible masonry, and modified fire resistive are included. The 100 establishments selected are a representative sample of the total number of rent stabilized buildings within the scope of the study.

Liability insurance premiums are based on rates for selected geographic districts of the City in which sample establishments are located and the square footage of buildings in these establishments. Liability premiums are developed for a million dollars worth of coverage per incident.

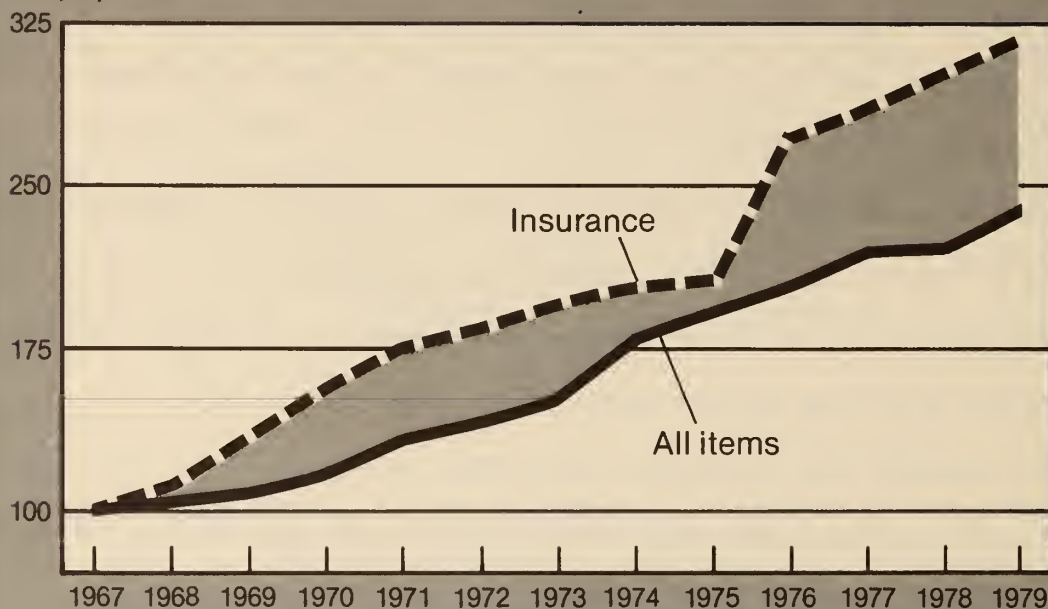
To compute the insurance relative, advisory rates for different types of buildings are obtained from various insurance service organizations

**Table 9. Price index of insurance costs**

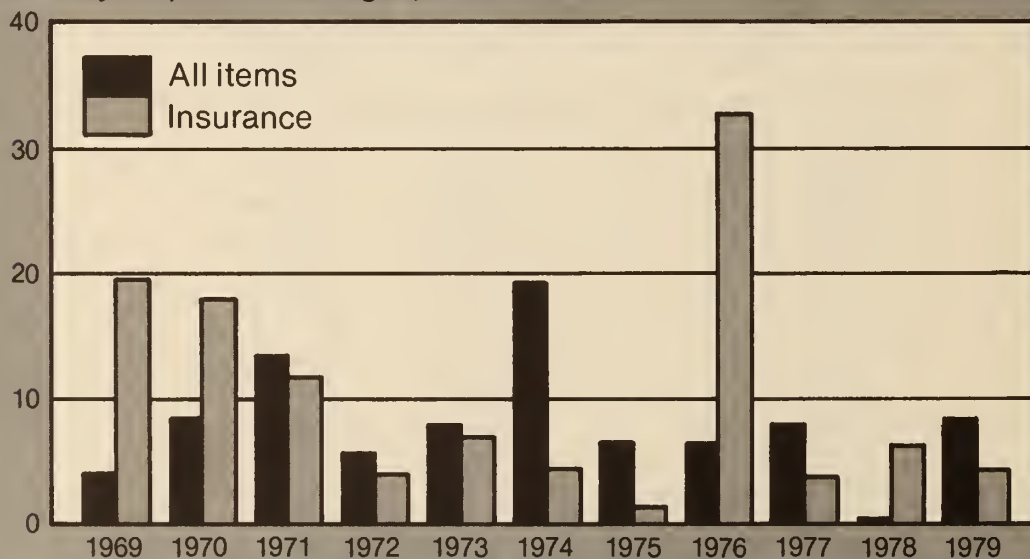
Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	111.5	11.5
1969.....	133.3	19.6
1970.....	157.1	17.9
1971.....	175.5	11.7
1972.....	182.7	4.1
1973.....	195.2	6.9
1974.....	203.9	4.5
1975.....	206.8	1.4
1976.....	274.4	32.7
1977.....	285.0	3.9
1978.....	302.7	6.2
1979.....	316.0	4.4

**CHART 9**  
**Price index of insurance costs**  
**April 1967-1979**

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



involved in developing basic rating schedules for different lines of insurance. Insurance carriers then revise or modify these advisory schedules to conform with their rate setting policies. In 1979, rates from a newly drawn sample of 18 insurance companies were obtained for 1978 and 1979 from records at the New York State Insurance Department. A weighted average of premiums based on these individual insurance company rates and the other inputs described are incorporated into the index so that the premium calculated reflects discounts and other modifications from service organization advisory rates currently in effect.

Price trends Between April 1978 and April 1979, the insurance index rose 4.4 percent following a 6.2 percent rise in the preceding year. (See table 9.) Among the types of coverage included in the multi-peril policy priced, premiums for fire insurance, up about 7 percent, were largely responsible for the 1978-79 increase. Liability premiums, another important portion of the policy priced for properties in the index, remained about unchanged over the year. All premiums are adjusted to exclude the impact of rate changes due to mercantile occupancy.

The insurance component, which represents 3.2 percent of the total index weight, increased by 216 percent since 1967. (See chart 9.) Insurance accounted for 3.8 percent of the overall index rise since the base period.

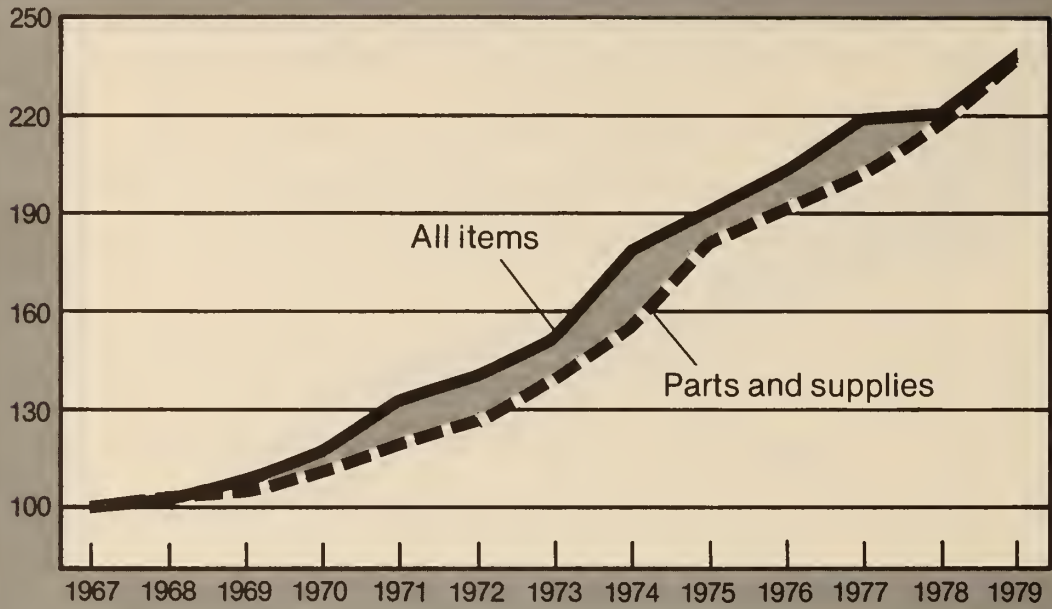
## **Parts and supplies**

For this component, price relatives are developed for nine specifications--light switches; floor wax; wet mops; electric light bulbs; indoor latex

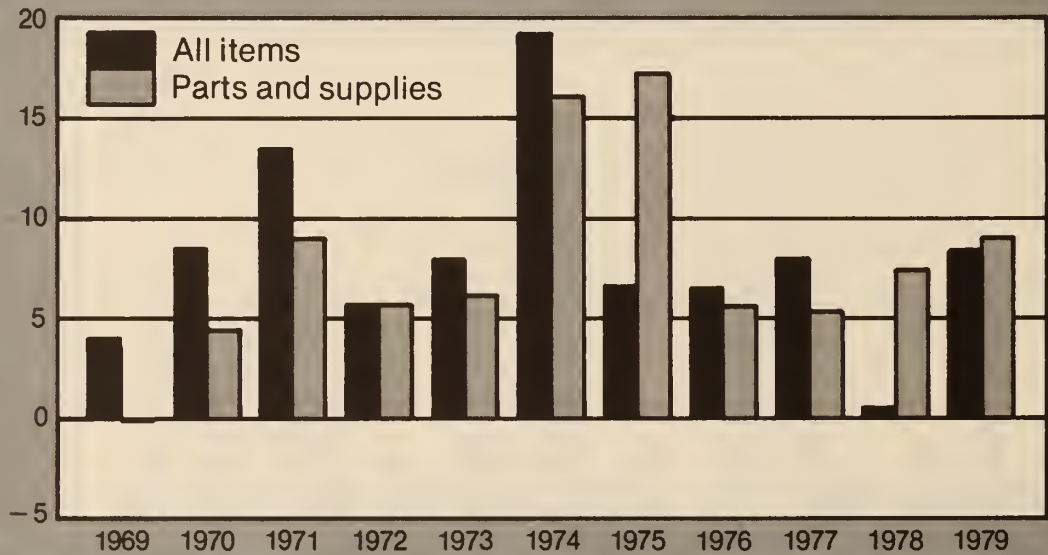


**CHART 10**  
**Price index of parts and supplies**  
**April 1967-1979**

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



**Table 10. Price index of parts and supplies**

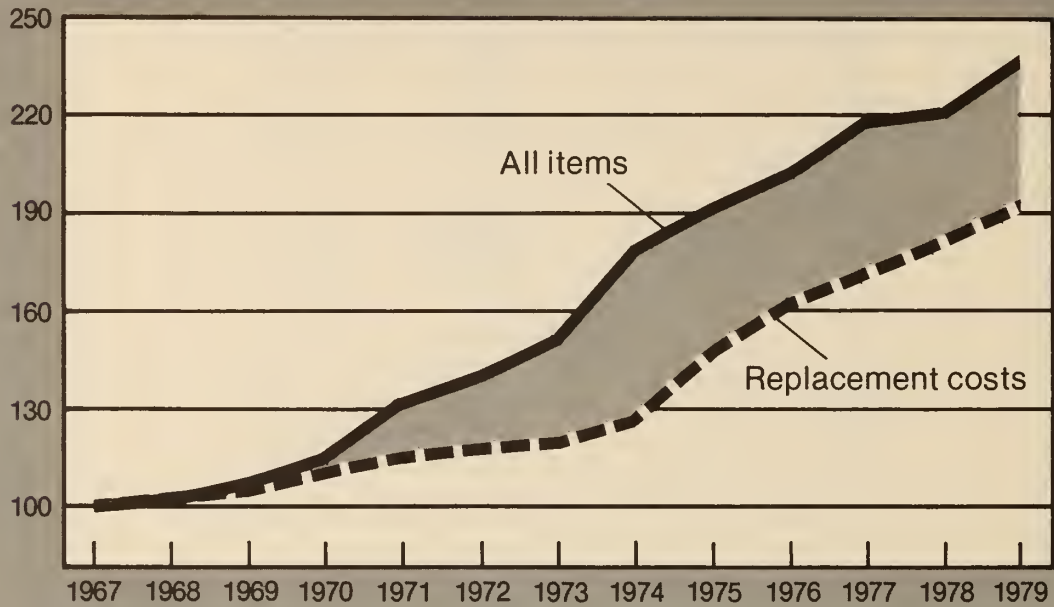
Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	104.7	4.7
1969.....	104.6	-0.1
1970.....	109.2	4.4
1971.....	119.1	9.0
1972.....	125.9	5.7
1973.....	133.6	6.1
1974.....	155.0	16.0
1975.....	181.7	17.2
1976.....	191.9	5.6
1977.....	202.1	5.3
1978.....	216.9	7.3
1979.....	236.4	9.0

paint; detergent; buckets with wringers, push brooms and washers. Price quotations for each specification are obtained from a sample of about 25 distributors and suppliers actually selling to rent stabilized apartment house operators. Ten quotations are obtained for each of the items except light bulbs for which 20 respondents provide prices each year. The sample of firms was selected in the same manner as described for contractor services.

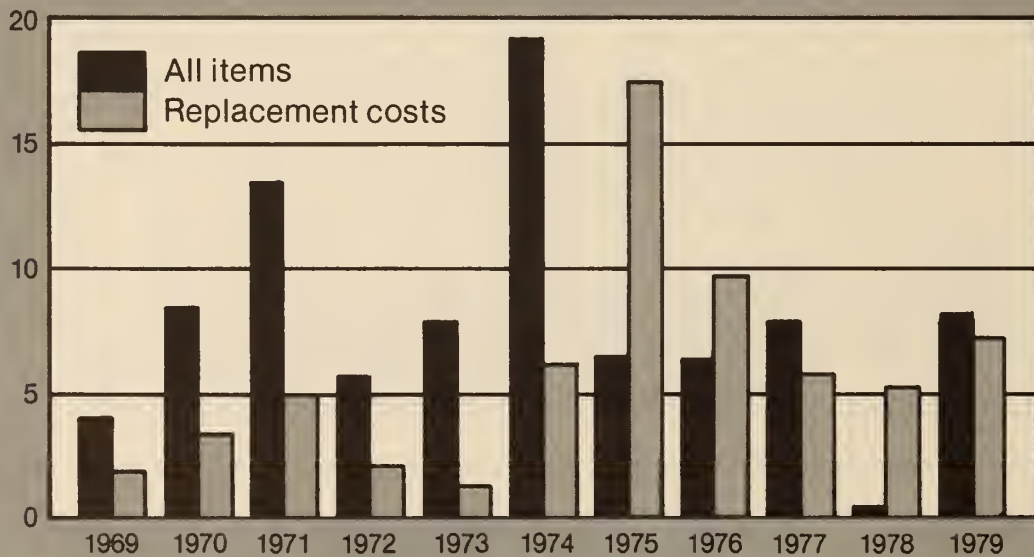
Price trends Between April 1978 and April 1979, prices for parts and supplies increased 9.0 percent as compared to a 7.3 percent rise for this component a year earlier. (See table 10 and chart 10.) Higher prices for buckets, brooms and light bulbs contributed substantially to the 1978-79 rise. Since 1967, the parts and supplies index has risen by 136 percent, about in line with the 139 percent total index rise.

**CHART 11**  
**Price index of replacement costs**  
**April 1967-1979**

Index, April 1967 = 100



Over-the-year percent changes, 1969-1979



## Replacement costs

For measuring changes in the appliance and lobby furnishings replacement index, data are collected for two sizes of refrigerators; two sizes of gas ranges; two sizes of air conditioners; dishwashers; and lobby floor runners. Ten price quotations for each specification were obtained from a sample of approximately 60 distributors or manufacturers, except for refrigerators where 20 quotes for each of the two sizes are collected. All suppliers in the outlet sample sell directly to stabilized apartment house operators.

**Table 11. Price index of replacement costs**

Year (as of April)	Index	Percent change
1967.....	100.0	--
1968.....	103.7	3.7
1969.....	105.7	1.9
1970.....	109.3	3.4
1971.....	114.7	5.0
1972.....	117.2	2.2
1973.....	118.8	1.4
1974.....	126.1	6.2
1975.....	148.0	17.4
1976.....	162.4	9.7
1977.....	171.8	5.8
1978.....	180.8	5.3
1979.....	194.1	7.3

Price trends The replacement cost index rose 7.3 percent in 1978-79, following a 5.3 percent increase in the preceding year. (See table 11 and chart 11.) The 1978-79 increase was primarily attributable to higher prices for refrigerators and ranges.

Since 1967, the replacement cost index has risen 94 percent, substantially below the total index increase. Except for 1975, 1976 and 1978 increases for this component have been below the overall index rise.



## **Appendixes**

## Appendix A

### Reliability of percent changes

Since the data provided by the index are derived from samples of outlets and items priced, they may differ from figures that would have been obtained had it been possible to take a complete count of all outlets and items, using the same procedures. A system of replicated samples introduced into the index structure in 1975 permits an estimate of sampling error for the Price Index of Operating Costs. <sup>1/</sup>

The standard error is a measure of sampling variability. It indicates variations that might occur by chance because only a sample of the universe was surveyed. The chances are about two out of three that estimates of percent change would differ from a complete count by less than the standard error of the estimate. The chances are 95 out of 100 that the difference would be less than twice the standard error.

The table provided shows standard errors for over-the-year percent changes in the index for all items and seven components. Data for an eighth component, insurance, did not meet criteria for separate issuance, but were sufficiently reliable for inclusion in the estimate of the all-items standard error.

Statements of comparison made in the text of this report are statistically significant at a level of at least two times the standard error; that is, the chances are at least 95 out of 100 that a difference identified in the text indicates a true difference between estimates rather than chance variations arising from the use of samples. For example, with an all-items standard error of .15 percent, there is a 95 percent chance that if a complete count were taken the actual change would be within 0.3 percent or double the standard error. In other words, with a sample-based 1978-79 all-items index rise of 8.2 percent, there is a 95 percent probability that a complete count would yield an increase of between 7.9 and 8.5 percent.

Standard errors of April 1978-April 1979 percent changes in the Price Index of Operating Costs

Component	Standard error
All items <sup>1/</sup> .....	.15
Taxes, fees and permits....	.22
Labor costs.....	.14
Fuel and utilities.....	.62
Contractor services.....	.69
Administrative costs.....	.48
Parts and supplies.....	.78
Replacement costs.....	1.45

<sup>1/</sup> Includes data for insurance not separately presented.

<sup>1/</sup> For a more complete description of the sampling error design see Appendix A, "Measurement of Sampling Error," 1975 Price Index of Operating Costs for Rent Stabilized Apartment Houses in New York City, Regional Report No. 45.

# Appendix B

## Selected pricing specifications

<u>Labor</u>	<u>Page</u>	<u>Contractor services (continued)</u>	<u>Page</u>
Pay rates for non-unionized apartment house building superintendents.....	58	Floor maintenance (700 square foot area)..	71
Pay rates for non-unionized apartment house building janitors or porters.....	58	Work clothing rental (polyester blend uniforms).....	71
<u>Fuel and utilities</u>		<u>Administrative</u>	
Petroleum fuel oil No. 4 (3,000 gallon delivery).....	59	Management fees.....	72
Petroleum fuel oil No. 6 (4,000 gallon delivery).....	59	Accountant fees.....	72
Petroleum fuel oil No. 6 (5,500 gallon delivery).....	59	Attorney fees.....	73
Electricity (2,500 KWH).....	60	Newspaper classified advertisement rates..	73
Electricity (15,000 KWH, 35 KW).....	60	Standard lease forms.....	73
Electricity (82,000 KWH, 220 KW).....	60	Printed bill payment envelopes.....	74
Gas (12,000 cubic feet).....	61	Ledger paper.....	74
Gas (65,000 cubic feet).....	61	<u>Insurance</u>	
Gas (214,000 cubic feet).....	61	Actual cash value of property for fire and extended coverage insurance.....	74
Purchased steam (1,200,000 pounds).....	62	<u>Parts and supplies</u>	
Purchased steam (2,600,000 pounds).....	62	Light bulbs.....	75
Telephone.....	62	Snap tumbler light switch.....	75
<u>Contractor services</u>		Wet mop, head and handle.....	75
Repainting (one bedroom apartment).....	63	Floor wax.....	76
Plumbing repair (replacement of sink faucet).....	64	Interior latex paint.....	76
Plumbing repair (clearing stoppage).....	64	Push broom and handle.....	76
Elevator maintenance contract (6 floor, 1 elevator building).....	65	Detergent.....	77
Elevator maintenance contract (13 floor, 2 elevator building).....	65	Bucket with wringer.....	77
Elevator maintenance contract (19 floor, 3 elevator building).....	66	Washers.....	77
Oil burner parts replacement.....	66	<u>Replacements</u>	
Boiler maintenance (tube replacement)....	67	Refrigerator-freezer (9-11 cubic feet)....	78
Boiler maintenance (stay bolt welding)...	67	Refrigerator-freezer (11.5-13 cubic feet).....	78
Refrigerator repair.....	68	Air conditioner (6,000-8,999 BTU's).....	79
Gas range repair.....	68	Air conditioner (9,000-12,999 BTU's).....	79
Roof repair.....	69	Floor runner.....	80
Air conditioner parts replacement.....	69	Dishwasher.....	80
Floor maintenance (325 square foot area).	70	Gas range (20 inch width).....	81
Floor maintenance (515 square foot area).	70	Gas range (30-32 inch width).....	81

Specification pricing is key to collection of comparable data for the Price Index of Operating Costs for Rent Stabilized Apartment Houses in New York City as well as other Bureau price index programs. A specification is a detailed description of the characteristics which determine the price, quantity, and quality of a commodity or service. As an aid to data collectors and reporters, the specifications include other identifying information in addition to the price determining factors.

Data collectors are required to price according to specification, following detailed collection instructions so that the prices for the commodity or service described will be comparable. Specifications are regularly evaluated and modified as is necessary. Information on market conditions and changes in product lines is used to insure that the specifications are up to date. New items are introduced into the index in a fashion that ensures comparability of all published indexes over time.

**Pay rates for non-unionized  
apartment house building  
superintendents**

**DESCRIPTION:**

Pay rates for non-unionized building superintendents

**Duties and Responsibilities:**

To be classified as superintendent, employee must have other building personnel which he supervises and perform most of the following:

- A. Hires building personnel
- B. Trains personnel
- C. Plans sequence of maintenance work
- D. Determines alterations or repairs required
- E. Determines work that can be completed by building personnel
- F. Obtains bids from contractors
- G. Submits bids and recommendations to supervisors
- H. Supervises contracted projects to verify adherence to specifications
- I. Purchases building and maintenance supplies
- J. Purchases equipment and furnishings
- K. Shows apartments to prospective tenants

May also perform:

- L. Tends boiler
- M. Performs other general janitorial duties

**PRICING UNIT:**

Straight-time pay rate covering the first payroll period in April

**SPECIAL INSTRUCTIONS:**

Obtain information for each employee if more than one superintendent in building, also

Services Provided:

- N. Apartment on premises provided as pay
- O. Uniforms provided

**SPECIFY:**

Length of payroll period; hours worked in payroll period; duties and responsibilities by letter; services provided by letter; value of apartment received as pay if applicable; other duties or services provided if not listed by letter

**Pay rates for non-unionized  
apartment house building  
janitors or porters**

**DESCRIPTION:**

Pay rates for non-unionized building janitors or porters

**Duties and Responsibilities:**

To be classified as janitor or porter, employee must perform most of the following duties and/or responsibilities:

- A. Keep building in clean and orderly condition
- B. Tends boiler to provide heat and hot water for tenants
- C. Sweeps and cleans hallway and stairs
- D. Handles trash
- E. Performs routine touch-up painting, plumbing and electrical wiring and other routine maintenance activities using hand tools
- F. Notifies management concerning need for major repairs
- G. Cleans snow and debris from sidewalk and otherwise maintains outside of building

May also perform:

- H. Show apartment to prospective tenants
- I. Take complaints
- J. Handle emergencies

**PRICING UNIT:**

Straight-time pay rate covering the first payroll period in April

**SPECIAL INSTRUCTIONS:**

Obtain information for each employee if more than one janitor or porter in building, also

Services Provided:

- K. Apartment on premises provided as pay
- L. Uniforms provided

**SPECIFY:**

Length of payroll period; hours worked in payroll period; duties and responsibilities by letter; services provided by letter; value of apartment received as pay if applicable; other duties or services provided if not listed by letter

**Petroleum fuel oil, No. 4  
(3,000 gallon delivery)**

**DESCRIPTION:**

Fuel oil No. 4, legal sulphur content

**PRICING UNIT:**

Lowest delivered cash price per gallon within New York City's five boroughs excluding taxes and other additional charges, based on the following:

To a regular customer with good credit rating (payment within 30 days) owning a single building, who plans to purchase 50,000 gallons per year in lots of 3,000 gallons per delivery, tank size 5,000 gallons

**SPECIFY:**

Taxes or additional charges not included in the price per gallon

**Petroleum fuel oil, No. 6  
(4,000 gallon delivery)**

**DESCRIPTION:**

Fuel oil No. 6, legal sulphur content

**PRICING UNIT:**

Lowest delivered cash price per gallon within New York City's five boroughs excluding taxes and other additional charges, based on the following:

To a regular customer with good credit rating (payment within 30 days) owning a single building, who plans to purchase 100,000 gallons per year in lots of 4,000 gallons per delivery, tank size 7,500 gallons

**SPECIAL INSTRUCTIONS:**

Confirm with respondent any change in pricing policy for No. 6 fuel from previous pricing period if:

- a. Price same for No. 6 full wagon and split wagon in previous period but currently different or;
- b. Price for split wagon in previous period differed from full wagon but both deliveries have the same price in current period.

**SPECIFY:**

Taxes or additional charges not included in the price per gallon

**Petroleum fuel oil, No. 6  
(5,500 gallon delivery)**

**DESCRIPTION:**

Fuel oil No. 6, legal sulphur content

**PRICING UNIT:**

Lowest delivered cash price per gallon within New York City's five boroughs excluding taxes and other additional charges, based on the following:

To a regular customer with good credit rating (payment within 30 days) owning a single building, who plans to purchase 225,000 gallons per year in lots of 5,500 gallons per delivery, tank size approximately two separate 10,000 gallon tanks

**SPECIAL INSTRUCTIONS:**

Confirm with respondent any change in pricing policy for No. 6 fuel from previous pricing period if:

- a. Price same for No. 6 full wagon and split wagon in previous period but currently different or;
- b. Price for split wagon in previous period differed from full wagon but both deliveries have the same price in current period.

**SPECIFY:**

Taxes or additional charges not included in the price per gallon



Electricity  
(2,500 KWH)

DESCRIPTION:

Quantity: 2,500 KWH of energy

PRICING UNIT:

Total monthly net bill in April per rate schedule

SPECIFY:

Identification number and effective date of rate schedule. All other costs including sales tax -- local, State, and Federal; rate differential taxes, fuel and transfer adjustment costs -- which are applicable to net bills

Electricity  
(15,000 KWH, 35 KW)

DESCRIPTION:

Quantity: 

Energy	Demand
15,000 KWH	35 KW

PRICING UNIT:

Total monthly net bill in April per rate schedule

SPECIFY:

Identification number and effective date of rate schedule. All other costs including sales tax -- local, State, and Federal; rate differential taxes, fuel and transfer adjustment costs -- which are applicable to net bills

Electricity  
(82,000 KWH, 220 KW)

DESCRIPTION:

Quantity: 

Energy	Demand
82,000 KWH	220 KW

PRICING UNIT:

Total monthly net bill in April per rate schedule

SPECIFY:

Identification number and effective date of rate schedule. All other costs including sales tax -- local, State, and Federal; rate differential taxes, fuel and transfer adjustment costs -- which are applicable to net bills

**Gas (12,000 cubic feet)**

**DESCRIPTION:**

Natural gas, manufactured or mixed  
Quantity: 12,000 cubic feet

**PRICING UNIT:**

Total monthly net bill in April per rate  
schedule

**SPECIFY:**

Identification number and effective date  
of rate schedule. All other costs in-  
cluding sales tax -- local, State, and  
Federal; rate differential taxes and fuel  
adjustment costs -- which are appli-  
cable to net bills

**Gas (65,000 cubic feet)**

**DESCRIPTION:**

Natural gas, manufactured or mixed  
Quantity: 65,000 cubic feet

**PRICING UNIT:**

Total monthly net bill in April per rate  
schedule

**SPECIFY:**

Identification number and effective date  
of rate schedule. All other costs in-  
cluding sales tax -- local, State, and  
Federal; rate differential taxes and fuel  
adjustment costs -- which are appli-  
cable to net bills

**Gas (214,000 cubic feet)**

**DESCRIPTION:**

Natural gas, manufactured or mixed  
Quantity: 214,000 cubic feet

**PRICING UNIT:**

Total monthly net bill in April per rate  
schedule

**SPECIFY:**

Identification number and effective date  
of rate schedule. All other costs in-  
cluding sales tax -- local, State, and  
Federal; rate differential taxes and fuel  
adjustment costs -- which are appli-  
cable to net bills

Purchased steam  
( 1,200,000 pounds )

DESCRIPTION:

Quantity: 1,200,000 pounds, annual  
service for power or power and heat

PRICING UNIT:

Total monthly net bill in April per rate  
schedule

SPECIFY:

Identification number and effective  
date of rate schedule. All other costs  
including sales tax -- local, State,  
and Federal; rate differential taxes and  
fuel adjustment costs -- which are  
applicable to net bills

Purchased steam  
( 2,600,000 pounds )

DESCRIPTION:

Quantity:  
2,600,000 pounds, heat or power

PRICING UNIT:

Total monthly net bill in April per rate  
schedule

SPECIFY:

Identification number and effective  
date of rate schedule. All other costs  
including sales tax -- local, State,  
and Federal; rate differential taxes and  
fuel adjustment costs -- which are  
applicable to net bills

Telephone

DESCRIPTION:

Rates for business service - 75 message  
units

AREAS:

Zones	1-4
Zone	5
Zones	6-10
Zones	11-15

PRICING UNIT:

Total monthly net bill in April per rate  
schedule

SPECIFY:

Effective date of rate schedule. All  
other costs including local and State  
sales taxes and Federal excise tax which  
are applicable to net bill

# Repainting one bedroom apartment

## DESCRIPTION:

Charge for repainting of one bedroom apartment (refer to floor plan)

- . Living room, 12 x 19 x 8 feet
- . Bedroom, 11 x 17 x 8 feet
- . Foyer, 9 x 12 x 8 feet
- . Kitchen, 8 x 11 x 8 feet (wood cabinets)
- . Bathroom, 6 x 8 x 8 feet (tiled walls)
- . 6 standard size doors plus 2 closet bi-fold doors
- . 4 windows, double hung, regular size (two in each room)
- . 5 closets

Total, approximately 2,500 square feet surface area

## Furniture

Furniture moved as needed by contractor and protected by dropcloths

LABOR: (one coat same as previous color)  
Paint ceilings, sidewalls, closets, window sash and trim, doors and standing trim and baseboards, both sides of 5 doors, one side of entrance door, and one side of 4 windows. Include average pointing up (filling in small cracks and

nail holes) per contractor's definition  
No other work to be done in apartment building

## MATERIALS:

Type of paint for walls and ceilings:

- a. Flat oil b. Latex
- Kitchen, bathroom and trim: May be enamel or semi-gloss

Grade: Professional or commercial

- c. First quality or line
- d. Second quality or line

## WORKMANSHIP:

High quality

## PRICING UNIT:

Charge for repainting a one bedroom apartment to an established customer on a non-volume basis

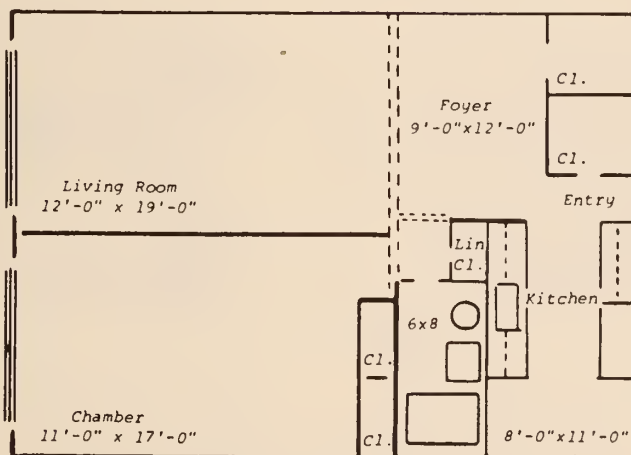
## SPECIAL INSTRUCTIONS:

Report union status of reporter under  
Remarks on BLS form 2901

## SPECIFY:

Type of paint and quality used by letter.  
Enter by agent originated footnote if sales tax is absorbed by reporter

Floor plan



Note: Bathroom walls are tiled (4 ft. up)  
Kitchen walls are not tiled.  
Broken line indicates cabinets over counters. Cabinets are not to be painted.

**Plumbing repair  
(replacement of sink faucet)**

**DESCRIPTION:**

Charge for the replacement of a sink faucet with installation conditions and equipment as specified below

**MATERIALS:**

Combination (mixing) faucet, swing spout, ledge type (horizontal deck) with:

- A. Dual controls (separate handles)
- B. Single lever control

Aerator

**LABOR:**

Remove old faucet and install replacement faucet, a one hour, one-man on the premise job, one hour travel time

**Replacement conditions:**

Standard or convenient arrangement of pipes; pipes do not need replacement

**WORKMANSHIP:**

High quality

**PRICING UNIT:**

Charge for replacing of sink faucet

**SPECIAL INSTRUCTIONS:**

Faucet priced should be model used to replace faucets in buildings erected around 1960-62

Report cost of material and installation charges separately

Determine initially whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901

**SPECIFY:**

Cost of sink faucet and labor separately  
Brand and model number of faucet

**Plumbing repair  
(clearing stoppage)**

**DESCRIPTION:**

Clearing of stoppage in kitchen sink due to grease build-up

**LABOR:**

Removing of stoppage with a power snake or wire; approximately a two-hour job including travel time

**PRICING UNIT:**

Charge for clearing stoppage

**SPECIAL INSTRUCTIONS:**

Indicate if minimum charge is made

per call, and note period of minimum charge; indicate rate for each hour thereafter

Determine initially whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901

**SPECIFY:**

Minimum charge, if any, and hourly charge thereafter. If respondent has a separate charge for the use of power snake, the amount if any



**Elevator maintenance contract  
(6 floor, single elevator building)**

**DESCRIPTION:**

Monthly price paid for a one year contract, "regular" shift excluding emergency service charges, for 6 floor building with one fully electric elevator, servicing 50 apartments

Capacity: 2,000 pounds

Speed: 100 feet per minute

Traction:

A. Overhead

B. Basement

Landings: 7

Openings: 7

Emergency service is defined as a shut-down that results in no elevator service in the building

**LABOR AND MATERIALS:**

Contract to cover charges for labor, repairs, and/or replacements as follows:

1. Examine, adjust, clean, lubricate, furnish lubricants and when conditions warrant, repair or replace machine, motor, generator and controller parts, including: worms, gears, thrusts, bearings, brake magnet coils, brake shoes, brushes, windings, commutators, rotating elements, coils, con-

tacts, resistors, magnet frames, and other mechanical parts

2. Keep guide rails lubricated except when roller guides are used. Renew guide shoe gibs and rollers when necessary

3. Examine all safety devices and governors and equalize tension on hoisting ropes. Renew all wire ropes as necessary to maintain safety, repair and/or replace conductor cables

**PRICING UNIT:**

Monthly bill for a one year contract covering work performed during "regular" work hours only

**SPECIAL INSTRUCTIONS:**

Determine initially whether union or nonunion and enter name of union and local number in Remarks section of BLS form 2901

**SPECIFY:**

Traction by letter; hours during which time-and-a-half is paid, and hours during which double time is paid

**Elevator maintenance contract  
(13 floor, 2 elevator building)**

**DESCRIPTION:**

Monthly price paid for a one year contract, "regular" shift excluding emergency service charges, for 13 floor building with two fully electric elevators, servicing 100 apartments

Capacity: 2,500 pounds

Speed: 250 feet per minute

Traction:

A. Overhead

B. Basement

Landings: 14

Openings: 28

Emergency service is defined as a shut-down that results in no elevator service in the building

**LABOR AND MATERIALS:**

Contract to cover charges for labor, repairs, and/or replacements as follows:

1. Examine, adjust, clean, lubricate, furnish lubricants and when conditions warrant, repair or replace machine, motor, generator and controller parts, including: worms, gears, thrusts, bearings, brake magnet coils, brake shoes, brushes, windings, commutators, rotating elements, coils, con-

tacts, resistors, magnet frames, and other mechanical parts

2. Keep guide rails lubricated except when roller guides are used. Renew guide shoe gibs and rollers when necessary

3. Examine all safety devices and governors and equalize tension on hoisting ropes. Renew all wire ropes as necessary to maintain safety, repair and/or replace conductor cables

**PRICING UNIT:**

Monthly bill for a one year contract covering work performed during "regular" work hours only

**SPECIAL INSTRUCTIONS:**

Determine initially whether union or nonunion and enter name of union and local number in Remarks section of BLS form 2901

**SPECIFY:**

Traction by letter; hours during which time-and-a-half is paid, and hours during which double time is paid

**Elevator maintenance contract  
(19 floor, 3 elevator building)**

**DESCRIPTION:**

Monthly price paid for a one year contract, "regular" shift excluding emergency service charges, for 19 floor building with three fully electric elevators, servicing 200 apartments  
Capacity: 2,500 pounds  
Speed: 350 feet per minute

**Traction:**

- A. Overhead
- B. Basement

Landings: 20

Openings: 60

Emergency service is defined as a shut-down that results in no elevator service in the building

**LABOR AND MATERIALS:**

Contract to cover charges for labor, repairs, and/or replacements as follows:

1. Examine, adjust, clean, lubricate, furnish lubricants and when conditions warrant, repair or replace machine, motor, generator and controller parts, including: worms, gears, thrusts, bearings, brake magnet coils, brake shoes, brushes, windings, commutators, rotating elements, coils, con-

tacts, resistors, magnet frames, and other mechanical parts

2. Keep guide rails lubricated except when roller guides are used. Renew guide shoe gibs and rollers when necessary

3. Examine all safety devices and governors and equalize tension on hoisting ropes. Renew all wire ropes as necessary to maintain safety, repair and/or replace conductor cables

**PRICING UNIT:**

Monthly bill for a one year contract covering work performed during "regular" work hours only

**SPECIAL INSTRUCTIONS:**

Determine initially whether union or nonunion and enter name of union and local number in Remarks section of BLS form 2901

**SPECIFY:**

Traction by letter; hours during which time-and-a-half is paid, and hours during which double time is paid

**Oil burner parts replacement**

**DESCRIPTION:**

Replace ignition transformer in oil burner; type typically found in an apartment building erected around 1960-62

**LABOR:**

Remove defective ignition transformer; replace with a new unit; check and adjust as necessary; a one-hour, one-man on the premises job; one hour travel time. Work to be completed during "regular" shift

Charge for labor determined as follows:

- A. Portal to portal
- B. Time spent on premises
- C. Flat rate
- D. Other (specify)

**WORKMANSHIP:**

High quality

**MATERIALS:**

Ignition transformer

- E. Single pole
- F. Double pole (dual)

**PRICING UNIT:**

Charge for replacing ignition transformer in oil burner to an apartment house operator, regular customer, on a noncontract basis

**SPECIAL INSTRUCTIONS:**

Obtain from respondent size burner serviced most frequently in apartment houses; and price parts and labor for that size. Determine initially whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901. If unionized or partly unionized, obtain union name and type of workers covered

**SPECIFY:**

Cost of ignition transformer and labor separately; type of ignition transformer by letter; brand and model of oil burner to which price quoted refers, or brand and model number of transformer

Hourly charge for this particular service which would be used in determining the bill; how labor charge is determined by letter, if (D) specify

**Boiler maintenance  
(tube replacement)**

**DESCRIPTION:**

Charge to regular customer for the replacement of 12 steel boiler tubes, a two-man, 6 hour on the premise job; 1 hour travel time. Work to be completed during "regular" shift

Charge for labor determined as follows:

- E. Portal to portal
- F. Time spent on premises
- G. Flat rate
- H. Other (specify)

Conditions:

1. Building: Located in a good neighborhood; easy access to building, i.e., no major parking problems
2. Boiler: Located in an area of the building readily accessible from the street, i.e., (a) a minimum of difficulty in moving equipment and materials in and out of building; (b) adequate working space; and (c) no safety hazards

**MATERIALS:**

Dimension of tubes:

- Diameter: 3 inches
- Length: 72 inches

Place of manufacture of tubes:

- C. Domestic
- D. Imported

**WORKMANSHIP:**

High quality

**PRICING UNIT:**

Charge for replacing tubes

**SPECIAL INSTRUCTIONS:**

Determine whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901. If unionized or has some union workers, obtain name of union and if partially organized, type of workers covered

Report cost of materials and installation charge separately

**SPECIFY:**

Cost of tubes and labor separately, place of manufacture by letter; if D, country of origin. How labor charge is determined by letter, if H, specify

**Boiler maintenance  
(stay bolt welding)**

**DESCRIPTION:**

Charge to regular customer for welding of 12 bolts or rods, a two-man, 4 hour on the premise job; 1 hour travel time. Work to be completed during "regular" shift

Charge for labor determined as follows:

- E. Portal to portal
- F. Time spent on premises
- G. Flat rate
- H. Other (specify)

Conditions:

1. Building: Located in a good neighborhood; easy access to building, i.e., no major parking problems
2. Boiler: Located in an area of the building readily accessible from the street, i.e., (a) a minimum of difficulty in moving equipment and materials in and out of building; (b) adequate working space; and (c) no safety hazards

**WORKMANSHIP:**

High quality

**PRICING UNIT:**

Charge for welding of 12 stay bolts or rods

**SPECIAL INSTRUCTIONS:**

Determine whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901. If unionized or has some union workers, obtain name of union and if partially organized, type of workers covered

For welding stay bolts or rods, indicate if minimum charge is made per call and note period of minimum charge; indicate rate for each hour thereafter

**SPECIFY:**

Minimum charge, if any, how labor charge is determined by letter, if H, specify

## Refrigerator repair

### DESCRIPTION:

Replace thermostatic control in single door, 12-cubic foot refrigerator; model originally placed in buildings erected around 1960-62

### LABOR:

Remove defective thermostatic control; replace with new unit; check and adjust as is necessary; a one-hour, one-man on the premises job; one hour travel time

Charge for labor determined as follows:

- A. Portal to portal
- B. Time spent on premises
- C. Flat rate
- D. Other (specify)

### WORKMANSHIP:

High quality

### PRICING UNIT:

Charge for replacing thermostatic control in refrigerator

### SPECIAL INSTRUCTIONS:

Determine initially whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901. If unionized or partially unionized, obtain union name and type of workers covered

### SPECIFY:

Cost of parts and installation charge separately; brand of refrigerator typically serviced, if applicable; brand and stock number of thermostatic control; minimum charge, if any

Hourly charge for this particular service which would be used in determining the bill; how labor charge is determined by letter, if D, specify

## Gas range repair

### DESCRIPTION:

Replace thermostat in oven of 30 inch gas range originally placed in buildings erected around 1960-62

### LABOR:

Remove defective thermostat; replace with new unit; connect wires and tubes; calibrate, check and adjust as is necessary; a one-hour, one-man on the premises job; one hour travel time

Charge for labor determined as follows:

- A. Portal to portal
- B. Time spent on premises
- C. Flat rate
- D. Other (specify)

### PRICING UNIT:

Charge for replacing oven thermostat

### SPECIAL INSTRUCTIONS:

Determine initially whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901. If unionized or partially unionized, obtain union name and type of workers covered

### SPECIFY:

Cost of parts and installation charge separately; brand of range typically serviced, if applicable; brand and stock number of thermostat; minimum charge, if any

Hourly labor charge for this particular service which would be used in determining the bill; how labor charge is determined by letter, if D, specify

## Roof repair

### DESCRIPTION:

Repair 100 square foot area of roof due to water leak

Type of roof: Flat, no gravel

### LABOR:

Locate leak; clean area around leak, trowel on roofing compound; apply cap sheet; apply compound around seams. A two-hour on the premises job; one hour travel time

Charge for labor determined as follows:

- A. Portal to portal
- B. Time spent on premises
- C. Flat rate
- D. Other (specify)

### WORKMANSHIP:

High quality

### MATERIALS:

1. Cap sheet (roll roofing, topsheet, etc.)

Weight:

- E. Light (43 to 45 pounds)
  - F. Medium (55 pounds)
  - G. Heavy (65 pounds and up)
2. Roofing compound (specify type)

### PRICING UNIT:

Charge for repairing 100 square foot area

### SPECIAL INSTRUCTIONS:

Determine initially whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901. If unionized or partially unionized, obtain union name and type of workers covered

Report cost of material and labor separately; indicate if minimum charge is made per call and note period of minimum charge; indicate rate for each hour thereafter

Exclude extra heavy weight (90 pound) cap sheet (gravel embedded)

### SPECIFY:

Type and weight of cap sheet by letter; type of roofing compound; cost of labor and materials separately

Number of men sent out on job; hourly labor charge for this particular service which would be used in determining the bill; how labor charge is determined by letter, if D, specify

## Air conditioner parts replacement

### DESCRIPTION:

Replace thermostat in room conditioner unit, through the wall, 4-6 year old model typically found in apartment living rooms or in studio units

Size:

BTU range 9,000 - 11,000, 115 or dual voltage (230-208)

### LABOR:

Locate difficulty; remove defective thermostat and replace with new one, check and adjust as is necessary; a one-hour, one-man on the premises job; one hour travel time

Charge for labor determined as follows:

- A. Portal to portal
- B. Time spent on premises
- C. Flat rate
- D. Other (specify)

### WORKMANSHIP:

High quality

### PRICING UNIT:

Charge for replacing air conditioner thermostat to an apartment house operator, regular customer, on a noncontract basis

### SPECIAL INSTRUCTIONS:

Determine initially whether respondent is a union or nonunion contractor and enter status in Remarks section of BLS form 2901. If unionized or partially unionized, obtain union name and type of workers covered

### SPECIFY:

Cost of parts and labor charges separately; brand of air conditioner typically serviced, if available; model number; brand and stock number of thermostat; minimum charge, if any

Hourly charge for this particular service which would be used in determining the bill; how labor charge is determined by letter, if D, specify



**Floor maintenance  
(325 square foot area)**

**DESCRIPTION:**

Refinishing of wood flooring for a studio apartment; approximately 325 square foot area to be finished, or 1-1/2 rooms

**LABOR:**

Scrape and apply 2 coats of synthetic resin and/or vinyl plastic sealer/finisher

**WORKMANSHIP:**

High quality

**PRICING UNIT:**

Charge for refinishing floors including materials to an established customer on a non-volume basis

Basis for fee determination:

A. For entire job including labor and

material, determined by price per room

B. For entire job including labor and material, determined by price per square foot

**SPECIAL INSTRUCTIONS:**

Determine initially whether respondent is union or nonunion contractor and enter status in remarks section of BLS form 2901. If unionized or partially unionized, obtain union name and type of worker covered

**SPECIFY:**

How billed by letter; if A or B, price per room or square foot. Cost and quantity of sealer/finisher included in price, brand name of sealer/finisher if available

**Floor maintenance  
(515 square foot area )**

**DESCRIPTION:**

Refinishing of wood flooring for a one-bedroom apartment; approximately 515 square foot area to be finished, or 2-1/2 rooms

**LABOR:**

Scrape and apply 2 coats of synthetic resin and/or vinyl plastic sealer/finisher

**WORKMANSHIP:**

High quality

**PRICING UNIT:**

Charge for refinishing floors including materials to an established customer on a non-volume basis

Basis for fee determination:

A. For entire job including labor and

material, determined by price per room

B. For entire job including labor and material, determined by price per square foot

**SPECIAL INSTRUCTIONS:**

Determine initially whether respondent is union or nonunion contractor and enter status in remarks section of BLS form 2901. If unionized or partially unionized, obtain union name and type of worker covered

**SPECIFY:**

How billed by letter; if A or B, price per room or square foot. Cost and quantity of sealer/finisher included in price, brand name of sealer/finisher if available

**Floor maintenance  
(700 square foot area)**

**DESCRIPTION:**

Refinishing of wood flooring for a two-bedroom apartment; approximately 700 square foot area to be finished, or 3-1/2 rooms

**LABOR:**

Scrape and apply 2 coats of synthetic resin and/or vinyl plastic sealer/finisher

**WORKMANSHIP:**

High quality

**PRICING UNIT:**

Charge for refinishing floors including materials to an established customer on a non-volume basis

Basis for fee determination:

A. For entire job including labor and

material, determined by price per room

B. For entire job including labor and material, determined by price per square foot

**SPECIAL INSTRUCTIONS:**

Determine initially whether respondent is union or nonunion contractor and enter status in remarks section of BLS form 2901. If unionized or partially unionized, obtain union name and type of worker covered

**SPECIFY:**

How billed by letter; if A or B, price per room or square foot. Cost and quantity of sealer/finisher included in price, brand name of sealer/finisher if available

**Work clothing rental  
(polyester blend uniforms)**

**DESCRIPTION:**

Polyester blend uniforms, dark colors

**PRICING UNIT:**

Price for rental, cleaning and maintenance of two uniform changes per week for five employees

**SPECIFY:**

Number of deliveries per week; if price quoted is typically for one man or for five men

## Management fees

### DESCRIPTION:

Fee charged by management company to apartment building owners

#### Method of fee determination:

- A. Fee determined by applying fixed percentage to gross monthly rent
- B. Sliding percentage based on annual gross rent; pro-rated monthly
- C. Other method (describe)

#### Service included in management fee:

- D. Renting vacant apartments
- E. Preparing leases
- F. Handling evictions
- G. Handling payroll for building personnel
- H. Handling payments to suppliers, contractors, etc.
- I. Collecting rent payments
- J. Advertising

### PRICING UNIT:

Monthly percentage and/or fee (dollar amount) charged to building owner

### SPECIAL INSTRUCTIONS:

If fee determined by method A or B enter percentage(s) as well as dollar amount of fee. If fee determined by method C, enter dollar amount of monthly fee only

### SPECIFY:

Method of fee determination by letter; dollar amount of gross monthly rent; if method B, gross annual rent and dates covered i.e., calendar or fiscal year; services included by letter; other services provided which are not listed, if applicable

## Accountant fees

### DESCRIPTION:

Fee per building to an established client with whom the accountant is doing recurring business

#### Services included in fee:

- A. Audit owner's books
- B. Audit owner's bank statements
- C. Prepare Federal, State and local income tax statement
- D. Prepare financial statement
- E. Prepare balance sheet
- F. Prepare profit and loss statement
- G. Prepare payroll
- H. Prepare payroll tax records
- I. Keep financial records (specify type of record)
- J. Other services (specify)

#### Method of fee determination:

- K. Negotiated flat fee
- L. Time spent basis (specify usual amount of time spent)
- M. Other (specify)

#### Frequency of each service performed;

#### frequency of payment:

- N. Monthly
- O. Quarterly
- P. Semi-annually
- Q. Annually
- R. Other (specify)

### PRICING UNIT:

Annual fee to client

### SPECIAL INSTRUCTIONS:

For each service, enter the service included and frequency performed by letter

For method of fee determination, enter the type and frequency of payment by letter

### SPECIFY:

Type of service performed by letter, frequency of service by letter; method of payment by letter; frequency of payment by letter, if I, J, L, M, or R, specify in detail

### Attorney fees

#### DESCRIPTION:

Fee to a client with whom the attorney is doing recurring business for handling a dispossession notice for non-payment of rent

#### Services usually performed:

- A. Prepare notice of dispossession
- B. File notice of petition in court
- C. Have notice served by process server

#### PRICING UNIT:

Fee for handling an individual dispossession notice including all applicable fees, i.e. court filing fee and process server's fee

#### SPECIFY:

Indicate average number of dispossession notices handled per month; separately specify (1) attorney's basic fee (2) court filing fee and (3) process server's fee

### Newspaper classified advertisement rates

#### DESCRIPTION:

Advertisement to rent an unfurnished apartment; rate for placing a three line ad in the classified section of a newspaper. Price is for:

- A. For 7 day dailies: rate for placement in Friday, Saturday and Sunday editions
- B. For 6 day dailies: rate for 3 consecutive days including weekend

edition

- C. For weeklies: rate for one week
- D. Other (specify)

#### PRICING UNIT:

Rate per 3 agate line advertisement

#### SPECIFY:

A, B, C or D, If quoted per line, line rate

### Standard lease forms

#### DESCRIPTION:

Standard lease form, 2 or 3 pages, folded (may be the improved Gilsey, Real Estate Board, or Blumberg)

Quantity: 2 dozen

#### PRICING UNIT:

Price for 2 dozen forms, sold:  
A. Individually

B. In package containing 2 dozen forms

#### SPECIAL INSTRUCTIONS:

If available in single units, obtain price per unit and enter price for 2 dozen

#### SPECIFY:

How sold by letter; which form is being priced (by name and form number)

Printed bill payment envelopes

DESCRIPTION:

Printed bill payment mailing envelopes, white wove, 24 pounds, standard opening with 4 lines printed return mailing address and printed space for sender's address

Quantity:

1,000 envelope order

Size:

D. No. 9 3-7/8" x 8-7/8"  
(approximately)

E. No. 10 4-1/8" x 9-1/2"  
(approximately)

PRICING UNIT:

Price for order of 1,000 envelopes in volume selling size

SPECIAL INSTRUCTIONS:

Obtain price for size typically sold

SPECIFY:

Size by letter

Ledger paper

DESCRIPTION:

Tinted, high grade columnar ledger paper, package of 100 sheets, approximately 9-1/4" by 11-7/8", 2 to 24 column, 30 lines

PRICING UNIT:

Price per package of 100 sheets

Actual cash value of property  
for fire and extended  
coverage insurance

DESCRIPTION:

Actual cash value (defined as replacement cost less depreciation) of property used to determine the insured value applied to rates for fire and extended coverage insurance purchased either as part of:

- A. Special multi-peril policy, or,
- B. As separate policy for fire and extended coverage only

Level of actual cash value and insured value determined by:

- C. Reappraisal
- D. Owner set

Change in cash value or policy rewritten in connection with:

- E. Refinancing
- F. Other reason (specify)

PRICING UNIT:

Actual cash value for April of each year

SPECIAL INSTRUCTIONS:

For each pricing period, determine dates current policy in force and how actual cash value was set regardless of whether the actual cash value was changed. Although policies typically run for one year, they can be rewritten or renegotiated more frequently. Therefore, it is important to determine the dating as well as all other information on the policy at each pricing.

SPECIFY:

Insured value; co-insurance level (percent); if policy is special multi-peril or separate fire and extended coverage by letter; dates current policy in force; basis for determining actual value by letter; whether in connection with refinancing by letter, if F, explain; name of carrier writing insurance policy

### Light bulbs

#### DESCRIPTION:

Incandescent lamp, long life, inside frosted, distributor to user, 60 watts/130 volts

#### PRICING UNIT:

Lowest price to apartment house operators per bulb, in cases of 120 light bulbs

#### SPECIAL INSTRUCTIONS:

If supplier typically gives volume discounts to apartment house operators, obtain discount price per bulb in lots of 120

#### SPECIFY:

Manufacturers brand; average number of hours listed for life of bulb; if discount priced, regular price (if available)

### Snap tumbler light switch

#### DESCRIPTION:

Snap tumbler single pole light switch, bakelite toggle, excluding switch box

#### Ampere rating:

- A. 10 amps, 120 volts
- B. 15 amps, 120 volts

#### PRICING UNIT:

Lowest price per unit to apartment house operators

#### SPECIAL INSTRUCTIONS:

If supplier typically gives volume discounts to apartment house operators, obtain price for typical lot and specify number in lot

#### SPECIFY:

If discount priced to apartment house owners, lot size, and if available, regular price. Brand, stock number, ampere rating by letter

### Wet mop head and handle

#### DESCRIPTION:

Heavy duty wet mop; head; and handle

#### Mop head:

8 ply cotton fiber yarn

#### Handle:

- A. Spring lever
- B. Screw type
- C. Clip type

#### PRICING UNIT:

Lowest price per unit to apartment house owners

#### SPECIAL INSTRUCTIONS:

If supplier typically gives volume dis-

counts to apartment house owners, obtain price for typical lot and specify number in lot

#### SPECIFY:

#### For mop:

Weight of mop; width of mop band in inches; length of strands in inches; price of mop head

#### For handle:

Type by letter; material; price of handle

Lot size, if discount priced to apartment house owners; and if available, regular price



### Floor wax

**DESCRIPTION:**

Non-skid, water emulsion, floor wax used in heavy traffic areas; 16 percent solids

**Materials:**

- A. Acrylic
- B. Polymer
- C. Other (specify)

**PRICING UNIT:**

Lowest price per 5-gallon container to apartment house owners

**SPECIAL INSTRUCTIONS:**

If a supplier typically gives discounts to apartment house owners, obtain price per typical size lot and specify number of 5 gallon containers in lot

If supplier typically sells a different size container, obtain price and specify size of container and size of lot usually sold

**SPECIFY:**

Brand, material by letter; type of material; if C; lot size; container size if other than 5 gallon; and if discount priced, regular price (if available)

### Interior latex paint

**DESCRIPTION:**

Professional or commercial grade latex interior house paint, matte or flat finish, off-white color

Exclude: color and semi-gloss finish

**BRAND:**

- A. Nationally advertised
- B. Not nationally advertised

**QUALITY:**

- C. First line or quality
- D. Second line or quality

**PRICING UNIT:**

Lowest price to apartment house operators for a lot purchase of five one-gallon cans

**SPECIAL INSTRUCTIONS:**

If supplier typically gives volume discounts to apartment house operators, obtain discount price per can. If supplier typically sells in lots of 5 or more gallons to apartment house operators, obtain price for lot and specify number of gallon cans in lot

**SPECIFY:**

Brand; type of brand and quality by letter; if discount priced, regular price (if available)

### Push broom and handle

**DESCRIPTION:**

Heavy duty floor sweeping brush with hardwood block, 2-1/2 - 3 inch trim and screw type wooden handle, 3/4" diameter threaded end

**Material: (primary fiber of bristles)**

- A. Rattan
- B. Tampico
- C. Horsehair
- D. Polypropylene
- E. Other (specify)

**Size of brush:**

- F. 16" x 2-1/2"
- G. 18" x 2-1/2"
- H. 24" x 2-1/2"

**PRICING UNIT:**

Lowest price per unit to apartment house operators

**SPECIAL INSTRUCTIONS:**

If supplier typically gives volume discounts to apartment house operators, obtain price for typical lot and specify number in lot

**SPECIFY:**

Brand; brush material by letter, (if E, specify); size by letter; if supplier sells brush and handle separately price of brush and price of handle. If discount priced, lot size, and (if available) regular price.

## Detergent

### DESCRIPTION:

All purpose liquid concentrate in 5-gallon plastic container

### PRICING UNIT:

Lowest price per 5-gallon container to apartment house operators

### SPECIAL INSTRUCTIONS:

If supplier typically gives discounts to apartment house operators, obtain price

per typical size lot and specify number of 5-gallon containers in lot.

If supplier typically sells a different size container, obtain price and specify size of container and size of lot usually sold

### SPECIFY:

Brand; lot size; container size (if other than 5 gallon); and if discount priced, regular price (if available) and lot size

## Bucket with wringer

### DESCRIPTION:

Single galvanized bucket, heavy duty gear and rack type with wringer, 3-4 swivel casters, 16 quart capacity

#### Type of wringer:

- A. Roller
- B. Squeeze

### PRICING UNIT:

Lowest price per unit to apartment house

operators

### SPECIAL INSTRUCTIONS:

If supplier typically gives discounts to apartment house operators, obtain price for typical lot and specify number in lot

### SPECIFY:

Brand; type of wringer by letter; if discount priced, regular price (if available) and lot size

## Washers

### DESCRIPTION:

Non-metallic bibb washers typically used in sink faucets, assorted sizes (up to 1/4 inch thickness and 5/8 inch diameter)

#### Quantity:

Box of 100

#### Material:

- A. Hard rubber
- B. Neoprene

### PRICING UNIT:

Lowest price per unit to apartment house operators

### SPECIAL INSTRUCTIONS:

If supplier typically gives volume discounts to apartment house operators, obtain price for typical lot and specify number in lot

### SPECIFY:

Brand; material by letter; if discount priced, regular price (if available) and lot size

**Refrigerator-freezer  
(9-11 cubic feet)**

**DESCRIPTION:**

Conventional model; single door, separate zero-degree freezer, full width; may have adjustable rollers

Defrost:

Manual

Interior finish:

Porcelain enamel, polystyrene, or plastic

Exterior finish:

White baked enamel or acrylic

Exclude: colored enamel or acrylic

**CAPACITY:**

9.0 to 11.0 cubic feet

Freezer: approximately 35 to 55 pounds

**EQUIPMENT:**

Freezer compartment: two ice trays

Refrigerator compartment: 2 or 4

shelves; 2 crispers or hydrators (or one full width); racks and/or shelves and butter keeper on refrigerator door; may have cheese keeper

**PRICING UNIT:**

The lowest price for the volume selling model to apartment house operators, regular customers, for the quantity most typically sold to them as replacements

Exclude: installation and sales tax

**SPECIAL INSTRUCTIONS:**

Models priced should represent the volume sellers purchased as replacements in studio and 1 bedroom apartment of building erected around 1960-62

**SPECIFY:**

Brand, model number, capacity. Indicate the size of order that has to be purchased to obtain the price quoted

**Refrigerator-freezer  
(11.5-13 cubic feet)**

**DESCRIPTION:**

Conventional model; single door, separate zero-degree freezer, full width; may have adjustable rollers

Defrost:

Manual

Interior finish:

Porcelain enamel, polystyrene, or plastic

Exterior finish:

White baked enamel or acrylic

Exclude: colored enamel or acrylic

**CAPACITY:**

11.5 to 13.0 cubic feet

Freezer: approximately 50 to 65 pounds

**EQUIPMENT:**

Freezer compartment: two ice trays

Refrigerator compartment: 2 or 4

shelves; 2 crispers or hydrators (or one full width); racks and/or shelves and butter keeper on refrigerator door; may have cheese keeper

**PRICING UNIT:**

The lowest price for the volume selling model to apartment house operators, regular customers, for the quantity most typically sold to them as replacements

Exclude: installation

**SPECIAL INSTRUCTIONS:**

Models priced should represent the volume sellers purchased as replacements in studio and 1 bedroom apartment of building erected around 1960-62

**SPECIFY:**

Brand, model number, capacity. Indicate the size of order that has to be purchased to obtain the price quoted

**Air conditioner  
(6,000-8,999 BTU's)**

**DESCRIPTION:**

Sleeve type, room size, thermostatic control

For placement in bedroom

Electrical Rating and  
Cooling Power:

- E. 115 voltage; 6,000-6,999 BTU/hr.
- F. 115 voltage; 7,000-7,999 BTU/hr.
- G. 115 voltage; 8,000-8,999 BTU/hr.

**PRICING UNIT:**

The lowest price for the volume selling model to apartment house operators,

regular customer, for the quantity most typically sold to them as replacement

Exclude: installation

**SPECIAL INSTRUCTIONS:**

Price the volume selling model purchased as replacement in buildings erected around 1960-62

**SPECIFY:**

Brand, model number, BTU's and voltage by letter. Indicate the size of order that has to be purchased to obtain the price quoted

**Air conditioner  
(9,000-12,999 BTU's)**

**DESCRIPTION:**

Sleeve type, room size, thermostatic control

For placement in studio or living area of bedroom apartment

ELECTRICAL RATING AND  
COOLING POWER:

- A. 115 or dual voltage (230-208); 9,000-9,999 BTU/hr.
- B. 115 or dual voltage (230-208); 10,000-10,999 BTU/hr.
- C. 115 or dual voltage (230-208); 11,000-11,999 BTU/hr.
- D. 230/208 voltage; 12,000-12,999 BTU/hr.

**PRICING UNIT:**

The lowest price for the volume selling model to apartment house operators, regular customer, for the quantity most typically sold to them as replacement

Exclude: installation and sales tax

**SPECIAL INSTRUCTIONS:**

Price the volume selling model purchased as replacement in buildings erected around 1960-62

**SPECIFY:**

Brand, model number, BTU's and voltage by letter. Indicate the size of order that has to be purchased to obtain the price quoted

## Floor runner

### DESCRIPTION:

Heavy duty floor runner, foul weather type

#### Dimensions:

36 inch width by 108 inches in length

#### Materials:

- A. Rubber
- B. Vinyl
- C. Nylon; fused piled or molded; excluding nylon carpeting soft goods
- D. Other (specify)

#### Type of runner:

- E. Roll goods
- F. Finished rug

### PRICING UNIT:

Lowest price per yard or running foot for a 3 x 9 foot runner to apartment house operators

### SPECIAL INSTRUCTIONS:

If supplier typically gives volume discounts to apartment house operators, obtain discount price per yard or running foot

### SPECIFY:

Brand, material by letter, if D, type of material, type of runner by letter, pricing unit, and if discount priced, regular price (if available)

## Dishwasher

### DESCRIPTION:

Conventional model; under counter; built-in; front load; automatic; standard size; may include power arm

#### Finish:

Baked acrylic enamel exterior; porcelain enamel or epoxy coated interior

#### Number of wash cycles:

- A. Single
- B. Two
- C. Three

Exclude: models with more than 2 water spray levels (i.e., spray from bottom, from arm and from above), extra racks or baskets

### PRICING UNIT:

The lowest price for the volume selling model to apartment house operators, regular customers, for the quantity most typically sold to them as replacement

Exclude: installation and sales tax

### SPECIAL INSTRUCTIONS:

The model priced should represent the volume seller purchased as replacement for studio and one bedroom apartments of buildings erected around 1960-62

### SPECIFY:

Brand, model number, number of wash cycles by letter. Indicate the size of order that has to be purchased to obtain the price quoted

**Gas range (20 inch width)**

**DESCRIPTION:**

Conventional model, single oven, four top burners, white vitreous porcelain enamel top, baked enamel or acrylic front and side panels, full porcelain enamel interior

**EQUIPMENT:**

Automatic top burner lighter(s) pilot light(s), plastic or metal handles or knobs, four standard top burners

**Oven:**

Single, fully insulated, thermostat (heat regulator), "full-width" under oven broiler with pan and grid

Exclude: models with glass oven windows, automatic clock controlled oven, rotisseries, etc.

**Size:**

Stove: 20 inch width

Oven: Standard

**PRICING UNIT:**

The lowest price for the volume selling model to apartment house operators, regular customers, for the quantity most typically sold to them as replacement

Exclude: installation

**SPECIAL INSTRUCTIONS:**

The model priced should represent the volume seller purchased as replacement for studio and one bedroom apartments of buildings erected around 1960-62

**SPECIFY:**

Brand, model number. Indicate the size of order that has to be purchased to obtain the price quoted

**Gas range  
(30-32 inch width)**

**DESCRIPTION:**

Conventional model, single oven, four top burners, white vitreous porcelain enamel top, baked enamel or acrylic front and side panels, full porcelain enamel interior

**EQUIPMENT:**

Automatic top burner lighter(s) pilot light(s), plastic or metal handles or knobs, four standard top burners. May have utility compartment

**Oven:**

Single, fully insulated, thermostat (heat regulator), "full-width" under oven broiler with pan and grid

Exclude: models with glass oven windows, automatic clock controlled oven, rotisseries, etc.

**Size:**

Stove: 30 to 32 inch width

Oven: a. Standard  
b. Oversize

**PRICING UNIT:**

The lowest price for the volume selling model to apartment house operators, regular customers, for the quantity most typically sold to them as replacement

Exclude: installation

**SPECIAL INSTRUCTIONS:**

The model priced should represent the volume seller purchased as replacement for studio and one bedroom apartments of buildings erected around 1960-62

**SPECIFY:**

Brand, model number, and oven size by letter. Indicate the size of order that has to be purchased to obtain the price quoted





Regional Reports -- continued

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